PART IV

Section 1-A

CENTRAL BILLS AND REPORTS OF SELECT COMMITTEES THEREON

GOVERNMENT OF MYSORE

NOTIFICATION

LAW DEPARTMENT

No. LAW 122 LCA 65, Bangalore, dated 25th February/ 4th March 1966.

Ordered that the Motor Vehicles (Amendment) Bill, 1965, (Central Bill No. XIX of 1965 of Rajya Sabha), which has been published in the *Gazette of India*, Extraordinary, Part II, Section 2, dated the 11th December 1965, be republished in the *Mysore Gazette*, for general information.

By Order and in the name of the Governor of Mysore,

H. K. ANANTHASUBBA RAO,
Under Secretary to Government,
Law Department.

II

Bill No. XIX of 1965

A bill further to amend the Motor Vehicles Act, 1939.

BE it enacted by Parliament in the Sixteenth Year of the Republic of India as follows:—

1. *Short title and commencement.*—(1) This Act may be called the Motor Vehicles (Amendment) Act, 1965.

(2) It shall come into force on such date as the Central Government may, by Notification in the Official Gazette, appoint and different dates may be appointed for different provisions of this Act.

2. *Amendment of section* 2.—In Section 2 of the Motor Vehicles Act, 1939 (4 of 1939), (hereinafter referred to as the principal Act),—

(*a*) in clause (3), for the words "fixed or agreed rate or sum and from one point to another without stopping to pick up", the following words, brackets and figures shall be substituted, namely :—

"fixed or agreed rate or sum—

(*i*) on a time basis whether or not with reference to any route or distance, or

(*ii*) from one point to another, and in either case without stopping to pick up" :

(*b*) in clause (9), for the figures "8,200", the figures "11,000" shall be substituted ;

(*c*) in clause (13), for the figures "3,000", the figures "4,000" shall be substituted ;

(d) in clause (17), for the figures "500", the figures "600" shall be substituted ;

(*e*) after clause (29), the following clause shall be inserted, namely :—

'(29-A) "tourist vehicle" means a contract carriage constructed or adopted and equipped and maintained in accordance with such specifications as the State Government may, by Notification in the Official Gazette, specify in this behalf ;'.

3. *Amendment of section* 3.—In Section 3 of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely :—

"(3) Notwithstanding anything contained in sub-section (1), a person who holds an effective driving licence authorising him to drive a motor car may drive any motor cab hired by him for his own use".

4. *Amendment of section* 7.—In Section 7 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely :—

"(1) Any person who is not disqualified under section 4 for driving a motor vehisle and who is not for the time being disqualified for holding or obtaining a driving licence may apply to the licensing authority having jurisdiction in the area—

(*i*) in which he ordinarily resides or carries on business, or

(*ii*) in which the school or establishment where he is receiving

or has received instruction in driving a motor vehicle is situate, or

(*iii*) if the application is for a driving licence to drive as a paid employee, in which the employer resides or carries on business,

for the issue to him of a driving licence'.

5. *Amendment of section* 11.—In Section 11 of the principal Act,—

(*a*) in sub-section (1), after the proviso, the following further proviso shall be added, namely :—

"Provided further that where the application is for the renewal of a driving licence, to drive as a paid employee or to drive a transport vehicle or where in any other case the original licence was issued on production of a medical certificate, the same shall be accompained by a fresh medical certificate in Form C as set forth in the First Schedule, signed by a registered medical practitioner, and the provisions of sub-section (5) of Section 7 shall apply to every such case.";

(*b*) after sub-section (3*A*), the following sub-section shall be inserted, namely :—

"(3-*B*) When the authority to whom an application for the renewal of a driving licence to drive as a paid employee or to drive a transport vehicle is made, is not the authority which issued the licence sought to be renewed, it may, for the purpose of deciding whether the application for such renewal may be granted, verify the antecedents of the applicant in such manner as may be prescribed and pending the verification, such authority may grant a provisional licence for such period or periods not exceeding one year in the aggregate, subject to the condition that every such provisional licence shall cease to be effective immediately on the renewal of the licence sought to be renewed, or, as the case may be, on the refusal to renew the licence, and

(*i*) where the application for renewal has been rejected, the fee paid shall be refunded to such extent and in such manner as may be prescribed,

(*ii*) where the application for renewal has not been rejected within the said period, the licence shall be renewed.".

6. *Amendment of section* 15.—In Section 15 of the principal Act,—

(*a*) in sub-section (1), for the words "a driving licence", the words "any driving licence or a driving licence to drive a particular class or description of vehicle" shall be substituted;

(*b*) to sub-section (2), the following provisio shall be added, namely :—

"Provided that where the driving licence of a person authorises him to drive more than one class or description of motor vehicles and the order disqualifies him from driving any specified class or description of motor vehicles, the licensing authority shall endorse the disqualification upon the driving licence and return the same to the holder.".

7. *Amendment of section* 16.—In Section 16 of the principal Act, in sub-section (1), for the words "a transport vehicle", the words "any transport vehicle or a transport vehicle of a particular class or description" shall be substituted.

8. *Amendment of section* 18.—In Section 18 of the principal Act, after the words "cease to be effective", the words "to such extent and" shall be inserted.

9. *Amendment of section* 21.—In Section 21 of the principal Act, in sub-section (2),—

(*a*) for clause (*aa*), the following clause shall be substituted, namely :—

"(*aa*) the minimum qualifications of persons to whom licences to drive transport vehicles are issued, the time within which such qualifications are to be acquired by persons holding immediately before the commencement of the Motor Vehicles (Amendment) Act, 1965, licences to drive transport vehicles and the duties, functions and conduct of such persons;"

(*b*) in clause (*dd*), for the words "stage carriages or contract carriages", the words "transport vehicles" shall be substituted;

(*c*) in clause (*i*), after the words "for the instruction of drivers of motor vehicles", the brackets and words "(including the registration of such schools or establishments and the fee to be paid in respect thereof)" shall be inserted.

10. *Amendment of section* 25.—In Section 25 of the principal Act, to sub-section (2), the following proviso shall be added namely :—

"Provided that where a motor vehicle so registered is a chassis to which a body has not been attached and the same is detained in a workshop beyond the said period of one month for being fitted with a body, the period may, on payment of such fees, if any, as may be prescribed, be extended by such further period or periods not exceeding two months in the aggregate."

11. *Amendment of section* 27.—In Section 27 of the principal Act, after the words " particulars of any previous registration of the vehicle ", the words " or furnishes inaccurate particulars in the application for registration of such vehicle " shall be inserted.

12. *Omission of section* 29-*A*.—Section 29-A of the principal Act shall be omitted.

13. *Insertion of new section* 31-*A*.—In the principal Act, after Section 31, the following Section shall be inserted, namely :—

Special provisions regarding motor vehicles subject to hire-purchase or hypothecation agreement.—" 31A. (1) Where an application for registration of a motor vehicle which is held under a hire-purchase agreement is made, the registering authority shall make an entry in the certificate of registration regarding the existence of the said agreement.

(2) Where any registered owner of a motor vehicle enters into a hire-purchase agreement and reports the transfer of ownership of the motor car to the registering authority and makes an application to it to have the existence of the hire-purchase agreement entered in the certificate, the registering authority shall make an entry to that effect in the certificate of registration.

(3) Any entry made under sub-section (1) or sub-section (2), may be cancelled by the registering authority on proof of the termination of the hire-purchase agreement.

(4) No entry regarding the tranfer of ownership of any motor vehicle which is held under a hire-purchase agreement shall be made in the certificate of registration except with the written consent of the person with whom the registered owner has entered into a hire-purchase agreement.

(5) Where any person with whom the registered owner has entered into a hire-purchase agreement satisfies the registering authority that he has taken possession of the vehicle owing to the default of the registered owner under the provisions of the agreement and that the registered owner refuses to deliver the certificate of registration or has absconded, such authority may, after giving the registered owner an opportunity to make such representation as he may wish to make (by sending to him a notice by registered post acknowledgement due at his address entered in the certificate of registration) and notwithstanding that the certificate of registration is not produced before it, cancel the certificate and issue a duplicate thereof to the person aforesaid.

(6) The provisions of sub-sections (1) to (5) shall, so far as may be, apply to a motor vehicle which is subject to hypothecation as they apply to any motor vehicle which is held under a hire-purchase agreement".

14. *Amendment of section* 36.—In Section 36 of the principal Act, sub-section (3), for the words "excess of that", the words "different from that" shall be substituted.

15. *Amendment of section* 38.—In Section 38 of the principal Act, to sub-section (2), the following proviso shall be added namely :—

'Provided that this sub-section shall, in respect of a certificate of fitness relating to a new transport vehicle registered for the first time and not plying in hilly areas, have effect as if for the words "six months", the words "one year" were substituted.

Explanation.—In this sub-section, the expression "hilly areas" means such areas as the State Government may, having regard to the elevation and topography, by notification in the Official Gazette, declare to be hilly areas'.

16. *Amendment of section* 41.—In Section 41 of the principal Act, in sub-section (2),—

(*a*) in clause (*e*), for the brackets and figure "(3)", the brackets and figure "(2)" shall be substituted ;

(*b*) in clause (*f*), after the words "alteration of certificates of registration,", the words "for making or cancelling an endorsement in respect of an agreement of hire-purchase or hypothecation on a certificate of registration", shall be inserted.

17. *Amendment of section* 42.—In Section 42 of the principal Act,—

(*a*) in sub-section (1), after the words "any public place", the brackets and words "(whether or not such vehicle is actually carrying any passenger or goods)" shall be inserted;

(*b*) in sub-section (3),—

(i) clause (*ee*) shall be omitted;

(ii) after clause (*f*), the following clause shall be inserted, namely:—

"(*ff*) to any transport vehicle used by a person who manufactures or deals in motor vehicles or builds bodies for attachment to chassis, solely for such purposes and in accordance with such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf;"

(iii) in clause (*h*), the word "or" shall be omitted;

(iv) in clause (*i*), the words "except as may otherwise be prescribed" shall be omitted;

(*v*) after clause (*i*), the following clauses shall be inserted, namely:—

"(*j*) Subject to such conditions as the Central Government may, by order published in the Official Gazette, specify, to any transport vehicle purchased in one State and proceeding to a place, situated in any other State, without carrying any passenger or goods;

(*k*) to any transport vehicle (including a chassis to which a body has not been attached) which has been temporarily registered under Section 25, while proceeding empty to any place for the purpose of registration of the vehicle under Section 24; or

(*l*) to any transport vehicle used for such purposes (other than plying for hire or reward) as the Central Government may, by notification in the Official Gazette specify."

18. *Amendment of section* 49. In Section 43 of the principal Act, in sub-section (1), in clause (*i*), for the words "the fixing of fares and freights", the words and brackets "the fixing of fares and freights (including the maximum and minimum in respect thereof)" shall be substituted.

19. *Amendment of section* 44.—In Section 44 of the principal Act, in sub-section (2),—

(*a*) for the words "and such other officials and non-officials, not being less than two,", the words "and, in the case of a State Transport Authority, such other officials and non-officials, not being less than two, and, in the case of a Regional Transport Authority, such other persons (whether officials or not), not being less than two", shall be substituted;

(*b*) for the words "Provided that", the following shall be substituted, namely :—

"Provided that the State Government may—

(i) where it considers necessary or expedient so to do, constitute Regional Transport Authority for any region so as to consist of only one member who shall be an official with or without judicial experience;

(ii) by rules made in this behalf, provide for the transaction of business in the absence of the Chairman or any other member and specify the nature of business which, the circumstances under which, and the manner in which, business could be so transacted:

Provided further that".

20. *Amendment of section* 45.—Section 45 of the principal Act shall be re-numbered as sub-section (1) thereof and after sub-section (1) as so re-numbered, the following sub-sections shall be inserted, namely :—

"(2) Notwithstanding anything contained in sub-section (1) the State Government may, by Notification in the Official Gazette, direct that in the case of any vehicle or vehicles proposed to be used in two or more regions lying in different States, the application under that sub-section shall be made to the State Transport Authority of the region in which the applicant resides or has his principal place of business.

(3) Every applicant for the grant of a new permit under Section 46 or Section 54 shall deposit, by way of security, with his application an amount in such manner and at such rate not exceeding rupees five thousand per motor vehicle, as the State Government may, with reference to each class or vehicle by Notification in the Official Gazette, specify.

(4) The security furnished under sub-section (3) may be forfeited in whole or in part by the transport authority if it is satisfied that the application was made for the purpose of preventing the

issue of a temporary permit under Section 62 and the whole or part of it has not been forfeited shall be refunded to the applicant, as soon as may be, after the disposal of the application :

Provided that no such forfeiture shall be made unless the transport authority has given the applicant a reasonable opportunity of being heard."

21. *Amendment of section* 46. In Section 46 of the principal Act, in clause (*c*),—

(*a*) for the word "services", wherever it occurs, the word "trips" shall be substituted ;

(*b*) the following *Explanation* shall be added at the end, namely :—

'*Explanation.*—For the purposes of this Section, Section 48 and Section 57, "trip" means a single journey from one point to another, and every return journey shall be deemed to be a separate trip ;'.

22. *Amendment of section* 48.—In Section 48 of the principal Act,—

(*a*) sub-section (2) shall be omitted ;

(*b*) in sub-section (3).—

(i) for clause (i), the following clauses shall be substituted, namely :—

"(i) that the vehicle or vehicles shall be used only in a specified area, or on a specified route or routes ;

(*ia*) that the service or any specified part thereof shall commenced with effect from a specified date ;";

(ii) in clause (*ii*), for the words "services to be maintained", the words "trips to be provided" shall be substituted ;

(*iii*) to clause (*xxi*), the following proviso shall be added, namely :—

"Provided that the conditions specified in pursuance of clause (*i*) shall not be varied so as to alter the distance covered by the original route by more than 24 kilomatres, and any variation within such limits shall be made only after the Regional Transport Authority is satisfied that such variation will serve the public convenience and that it is not expedient to grant a separate permit in respect of the originnl route as so varied or any part thereof ;".

23. *Amendment of section* 51.—In Section 51 of the principal Act, in sub-section (2), after clause (ii), the following clause shall be inserted, namely :—

" (*iia*) the maximum number of passengers and the maximum weight of luggage that may be carried on any specified vehicle or on any vehicle of a specified type, either generally or on specified occasions or at specified times and seasons ;".

24. *Amendment of section* 57.—In Section 57 of the principal Act, in sub-section (8), for the words " number of services above the specified maximum ", the words " number of trips above the specified maximum or by altering the route covered by it " shall be substituted.

25. *Amendment of section* 58.—In Section 58 of the principal Act, after sub-section (3), the following sub-section shall be inserted, namely :—

"(4) Where a permit has been renewed under this section after the expiry of the period thereof, such renewal shall have effect from the date of such expiry irrespective of whether or not a temporary permit has been granted under clause (*d*) of Section 62, and where a temporary permit has been granted, the fee paid in respect of such temporary permit shall be refunded.".

26.—*Amendment of section* 59.—In Section 59 of the principal Act,—

(*a*) in sub-section (2), for the words " replace by another vehicle of the same nature and capacity any vehicle covered by the permit ", the words " replace any vehicle covered by the permit by any other vehicle of the same nature " shall be substituted ;

(*b*) in sub-section (3),—

(*i*) in clause (a), for the words " permit relates ", the words and figures " permit relates carry valid certificates of fitness issued under Section 38 and " shall be substituted ;

(*ii*) in clause (c), the words " maximum or minimum " shall be omitted ;

(*iii*) in clause (d), for the word and figures " Section 72 ", the words and figures " Section 5 or Section 72 " shall be substituted.

27.—*Amendment of section* 60.—In Section 60 of the principal Act,—

(*a*) after sub-section (1-A), the following sub-section shall be inserted, namely :—

"(1*B*) The transport authority may exercise the powers conferred on it under sub-sections (1) and (1*A*) in relation to a permit granted by any authority or person to whom power in this behalf has been delegated under sub-section (5) of Section 44 as if the said permit was a permit granted by the transport authority.";

(*b*) after sub-section (2), the following sub-section shall be inserted, namely :—

"(2*A*) The powers exerciseable under sub-section (1) or sub-section (1*A*) (other than the power to cancel a permit by the transport authority which granted the permit may be exercised by any authority or person to whom such powers have been delegated under sub-section (5) of section 44.

Provided that—

(*i*) no such authority or person shall pass an order suspending the permit for a period exceeding one month or reducing the period thereof by more than one month ; and

(*ii*) any such order shall be placed within the said period of one month before the transport authority who may vacate the order or extend the said period of one month where it has not expired or cancel the permit or take action under sub-section (3), as it may deem fit.";

(*c*) after sub-section (3), the following sub-section shall be inserted, namely :—

"(4) The powers exercisable by the transport authority under sub-section (3) may, where an appeal has been preferred under Section 64, be exercised also by the appellate authority.".

28. *Amendment of section* 62.—Section 62 of the principal Act shall be re-numbered as sub-section (1) thereof, and after sub-section (1) as so re-numbered, the following sub-section shall be inserted, namely :—

"(2) Notwithstanding anything contained in sub-section (1), a temporary permit may be granted thereunder in respect of any route or area where—

(*i*) no permit could be issued under Section 48 or Section 51 or Section 54 in respect of that route or area by reason

of an order of a court or other competent authority restraining the issue of the same, for a period not exceeding the period for which the issue of the permit has been so restrained ; or

(*ii*) as a result of the suspension by a court or other competent authority of the permit of any vehicle in respect of that route or area, there is no transport vehicle of the same class with a valid permit in respect of that route or area, or there is no adequate number of such vehicles in respect of that route or area, for a period not exceeding the period of such suspension :

Provided that the number of transport vehicles in respect of which the temporary permit is so granted shall not exceed the number of vehicles in respect of which the issue of a permit has been restrained or as the case may be, the permit has been suspended.".

29. *Amendment of section* 63.—In Section 63 of the principal Act,—

(*a*) to sub-section (1), the following further proviso shall be added, namely :—

"Provided further that where both the starting point and the terminal point of a route are situate within the same State, but part of such route lies in any other State and the length of such part does not exceed sixteen kilometres, the permit shall be valid in the other State in respect of that part of the route which is in that other State notwithstanding that such permit has not been countersigned by the State Transport Authority or the Regional Transport Authority of that other State." ;

(*b*) after sub-section (1), the following sub-section shall be inserted, namely :—

"(1-A) Notwithstanding anything contained in sub-section (1), a permit granted or countersigned by a State Transport Authority shall be valid in the whole State or in such regions within the State as may be specified in the permit." ;

(*c*) in the proviso to sub-section (3), after the words "arrived at between the States", the following shall be inserted, namely :—

"after complying with the requirements of sub-section (3A), or for the grant of counter-signatures of permits in pursuance of any direction issued by the Commission under clause (*c*) of sub-section (2) of Section 63-A";

(*d*) after sub-section (3), the following sub-sections shall be inserted, namely :—

"(3-A) Every proposal to enter into an agreement between the States referred to in the proviso to sub-section (3) and every proposal in such agreement to fix the number of permits which is proposed to be granted or counter-signed in respect of each route or area, shall be published by each of the State Governments concerned in the Official Gazette together with a notice of the date before which representations in connection therewith may be submitted, and the date, not being less than thirty days from the date of such publication, on which, and the authority by which, and the time and place at which, the proposal and any representations received in connection therewith will be considered :

Provided that no person, association or authority, other than those mentioned hereunder, shall have a right to make such representation, namely :—

(*i*) any person already providing passenger or goods transport facilities by any means in the proposed area or along or near the proposed route ;

(*ii*) any association representing persons interested in the provision of road transport facilities recognised in this behalf by the State Government ;

(*iii*) any local authority or police authority within whose jurisdiction any part of the proposed area or route lies.

(3-*B*) Every agreement arrived at between the States shall, in so far as it relates to the grant of counter-signature of permits, be published in the Official Gazette by each of the States concerned and the State Transport Authority of the State and the Regional Transport Authority concerned shall give effect to it ";

(*e*) after sub-section (6), the following sub-sections shall be inserted, namely :—

"(7) Notwithstanding anything contained in sub-section (1) but subject to any rules that may be made under this Act, any State Transport Authority may, for the purpose of promoting tourism, grant in respect of tourist vehicles such number of permits valid for the whole or any part of India as the Central Government may, in respect of that State, specify in this behalf, and the

provisions of Sections 49, 50, 51, 57, 58, 59, 59-A, 60, 61 and 64 shall, as far as may be, apply in relation to such permits.

(8) Every applicant for a permit under sub-section (7) shall deposit, by way of security, in such manner and such amount, not exceeding rupees five thousand per motor vehicle, as the Central Government may with reference to each class of vehicle, by Notification in the Official Gazette, specify, and such security shall be refunded wholly or in part to the applicant if his application for permit has not been granted, or, as the case may be, granted for a lesser number of vehicles than what was applied for.

(9) Any amount deposited by way of security under sub-section (8) may, at any time, be forfeited in whole or in part by the State Transport Authority if it is satisfied after making such inquiry as it thinks fit that—

(*a*) the permit was obtained by fraud or misrepresentation, or

(*b*) the holder of the permit has failed without reasonable cause to use the vehicle or vehicles for the purpose for which the permit was granted, or

(*c*) the holder of the permit has committed a breach of any condition of the permit, or

(*d*) the holder of the permit has used or caused it to be used in any manner not authorised by the permit:

Provided that no such forfeiture shall be made unless the State Transport Authority has given the permit-holder reasonable opportunity of being heard.

(10) The following shall be conditions of every permit granted under sub-section (7), namely:—

(*i*) every motor vehicle in respect of which such permit is granted shall conform to such description, requirement regarding the seating capacity, standards of comforts, amenities and other matters, as the Central Government may specify in this behalf;

(*ii*) every such motor vehicle shall be driven by a person having such qualifications and satisfying such conditions as may be specified by the Central Government; and

(*iii*) such other conditions as may be prescribed by the Central Government.".

30. *Amendment of section* 63-*A*.—In Section 63-A of the principal Act, after sub-section (2), the following sub-section shall be inserted, namely :—

"(2*A*) If any direction issued by the State Government under Section 43 is repugnant to any direction made by the Commission under clause (c) of sub-section (2), then, the direction of the Commission, whether issued before or after the direction issued by the State Government, shall prevail and the direction made by the State Government shall, to the extent of the repugnancy, be of no effect.".

After section 63B of the principal Act, the following section shall be inserted, namely :—

31. *Insertion of new section* 63*BB*.—

Appeal against decision, direction or order under section 63*A*.—

"63*BB*. (1) Any person or authority (including Government) aggrieved by the decision, direction or order of the Commission under clause (*b*) or clause (*c*) or clause (*d*) or clause (*e*) of sub-section (2) of Section 63A may, within thirty days from the date of the communication to him or it, of such decision, direction or order, as the case may be, appeal to the authority specified by the Central Government under clause (*h*) of Section 63C, which shall decide the appeal after giving the person or the authority an opportunity of being heard and pass such order thereon as it may deem fit and such order shall be final :

Provided that the authority aforesaid may entertain an appeal after the expiry of the said period of thirty days if it is satisfied that the appellant was prevented by sufficient cause from preferring the appeal in time.

(2) Every appeal under sub-section (1) shall be preferred in such manner and accompained by such fee as may be prescribed by the Central Government.".

32. *Amendment of Section* 63*C*.—In Section 63C of the principal Act, for clause (*h*), the following clause shall be substituted, namely :—

"(*h*) the authority to which, the manner in which and the fees on payment of which, an appeal against any decision, direction or order of the Commission may be preferred ;".

33. *Amendment of Section* 64.—Section 64 of the principal Act shall be re-numbered as sub-section (1) thereof, and—

(*a*) in sub-section (1) as so re-numbered,—

(*i*) after clause (*h*), the following clause shall be inserted, namely :—

"(*hh*) aggrieved by an order or forfeiture passed under sub-section (4) of Section 45 or under sub-section (9) of Section 63, or" ;

(*ii*) for the words "the prescribed authority who shall give such person and the original authority an opportunity of being heard", the words, brackets and figure "the State Transport Appellate Tribunal constituted under sub-section (2), who shall, after giving such person and the original authority an opportunity of being heard, give a decision thereon which shall be final" shall be substituted ;

(b) after sub-section (1) as so re-numbered, the following sub-section and *Explanation* shall be inserted, namely :—

"(2) The State Government shall constitute for the State a State Transport Appellate Tribunal which shall consist of a whole-time judicial officer not below the rank of a District Judge :

Provided that in relation to a Union territory the Tribunal may consist of the Administrator of that territory or any officer who has judicial experience.

(3) Notwithstanding anything contained in sub-section (1) or sub-section (2), every appeal pending at the commencement of the Motor Vehicles (Amendment) Act, 1965, shall be proceeded with and disposed of as if that Act had not been passed.

Explanation.—For the removal of doubts, it is hereby declared that when any order is made by the State Transport Authority or the Regional Transport Authority in pursuance of a direction issued by the Commission under clause (*c*) of sub-section (2) of section 63A and any person feels aggrieved by such order on the ground that it is not consonance with such direction, he may appeal under sub-section (1) to the State Transport Appellate

Tribunal against such order but not against the direction so issued."

34. *Amendment of section* 64A.—In section 64A of the principal Act,—

(*a*) for the words "State Transport Authority", wherever they occur, the words "State Transport Appellate Tribunal" shall be substituted;

(*b*) for the words "Regional Transport Authority", wherever they occur, the words "State Transport Authority or Regional Transport Authority" shall be substituted;

(*c*) after the words "as it deems fit", the words "and every such order shall be final" shall be inserted.

35. *Amendment of section* 65.—In Section 65 of the principal Act, in sub-section (1),—

(*a*) in clause (*b*), for the words "nine hours", the words "eight hours" shall be substituted;

(*b*) in clause (*c*), for the words "fifty-four hours", the words "forty-eight hours" shall be substituted.

36. *Insertion of new section* 66A.—After Section 66 of the principal Act, the following section shall be inserted, namely :—

Agent or canvasser to obtain licence.—"66A. (1) No person shall engage himself—

(i) as an agent or canvasser, in the sale of tickets for travel by public service vehicles or in otherwise soliciting custom for such vehicles, or

(ii) as an agent in the business of collecting, forwarding or distributing goods carried by public carriers,

unless he has obtained a licence from such authority and subject to such conditions as may be prescribed by the State Government.

(2) The conditions referred to in sub-section (1) may include all or any of the following matters, namely :—

(*a*) the period for which a licence may be granted or renewed;

(*b*) the fee payable for the issue or renewal of the licence;

(*c*) the deposit of security by the agent or canvasser and the circumstances under which it may be forfeited;

(*d*) the provision by the agent of insurance of goods in transit ;

(*e*) the authority by which and the circumstances under which the licence may be suspended or revoked ;

(*f*) such other conditions as may be prescribed by the State Government.".

37. *Amendment of section* 68.—In section 68 of the principal Act, in sub-section (2),—

(*a*) after clause (*a*), the following clause shall be inserted, namely :—

" (*aa*) the conduct of business by any such authority in the absence of any member (including the Chairman) thereof and the nature of business which, the circumstances under which and the manner in which, business could be so conducted ; " ;

(*b*) after clause (*c*), the following clause shall be inserted, namely :—

" (*cc*) the manner in which and the time within which every application for a stage carriage permit or a public carrier's permit shall be published, as required by sub-section (3) of section 57, and the circumstances under which and the fees on payment of which copies of such applications may be granted ; " ;

(*c*) in clause (*ww*), for the words " forwarding and distributing of ", the words " or forwarding and distributing " shall be substituted.

38. *Amendment of section* 68*A*.—In section 68A of the principal Act, in clause (*b*),—

(*a*) sub-clause (ii) shall be omitted ;

(*b*) in sub-clause (*iv*), for the words " the State Government ", the words " the Central Government or one or more State Governments, or by the Central Government and one or more State Governments " shall be substituted.

39. *Amendment of section* 68*D*.—In section 68D of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely :—

"(1) On the publication of any scheme in the Official Gazette under section 68C,—

(*i*) any person already providing transport facilities by any means along or near the area or route proposed to be covered by the scheme ;

(*ii*) any association representing persons interested in the provision of road transport facilities recognised in this behalf by the State Government ; and

(*iii*) any local authority or police authority within whose jurisdiction any part of the area or route proposed to be covered by the scheme lies,

may, within thirty days from the date of such publication, file objections thereto before the State Government.".

40. *Amendment of section* 68*E*.—Section 68E of the principal Act shall be re-numbered as sub-section (1) thereof and—

(*i*) in sub-section (1) as so re-numbered, for the words "proposed to be modified as if the modification proposed were a separate scheme", the following shall be substituted, namely :—

" proposed to be cancelled or modified as if the proposal were a separate scheme :

Provided that the State Transport Undertaking may, with the previous approval of the State Government, modify without following the procedure laid down in section 68C and section 68D, any such scheme relating to any route or area in respect of which the road transport services are run and operated by the State Transport Undertaking to the complete exclusion of other persons in respect of the following matters, namely :—

(*a*) increase in the number of vehicles or the number of trips ;

(*b*) Change in the type of vehicles without reducing the seating capacity ;

(*c*) extension of the route or area, without reducing the frequency of the service or ;

(*d*) alteration of the time-table without reducing the frequency of the service." ;

(*ii*) after sub-section (1) as so re-numbered, the following sub-section shall be inserted, namely :—

" (2) Notwithstanding anything contained in sub-section (1), the State Government may, at any time, if it considers necessary in

the public interest so to do, modify any scheme published under sub-section (3) of section 68D, after giving,—

(*i*) the State Transport Undertaking, and

(*ii*) any other person who, in the opinion of the State Government, is likely to be affected by the proposed modification,

an opportunity of being heard in respect of the proposed modification.".

41. *Amendment of section* 68*F*.—In section 68F of the principal Act,—

(*a*) in sub-section (1),—

(*i*) for the words and figures "in the manner specified in Chapter IV", the words "in such manner as may be prescribed by the State Government in this behalf" shall be substituted;

(ii) for the words "Regional Transport Authority", the words "State Transport Authority in any case where the said area or route lies in more than one region and the Regional Transport Authority in any other case" shall be substituted;

(*b*) in sub-section (2),—

(*i*) for the words "the Regional Transport Authority", the words "the State Transport Authority or as the case may be, the Regional Transport Authority concerned" shall be substituted;

(*ii*) in clause (*a*), for the words "the renewal of any other permit", the words "the grant of renewal of any other permit or reject any such application as may be pending" shall be substituted;

(*c*) in sub-section (3), for the words "the Regional Transport Authority", the words "the State Transport Authority or any Regional Transport Authority" shall be substituted;

42. *Insertion of new section* 68*FF*.—After section 68F of the principal Act, the following section shall be inserted, namely :—

Restriction on grant of permits in respect of a notified area or notified route.—"68FF. Where a scheme has been published under sub-section (3) of section 68D in respect of any notified area or notified route, the State Transport Authority or the

Regional Transport Authority, as the case may be, shall not grant any permit except in accordance with the provisions of the scheme;

Provided that where no application for a permit has been made by the State Transport Undertaking in respect of any notified area or notified route in pursuance of an approved scheme, the State Transport Authority or the Regional Transport Authority, as the case may be, may grant temporary permits to any person in respect of such notified area or notified route subject to the condition that such permit shall cease to be effective on the issue of a permit to the State Transport Undertaking in respect of that area or route.".

43. *Amendment of section* 68G.—In section 68G of the principal Act, in sub-section (2), for the words "the Regional Transport Authority", the words "the State Transport Authority or the Regional Transport Authority, as the case may be," shall be substituted.

44. *Insertion of new section* 68*HH*.—After section 68H of the principal Act, the following section shall be inserted, namely:—

Disposal of articles found in vehicles.—"68HH. Where any article found in any transport vehicle operated by the State Transport Undertaking is not claimed by its owner within the prescribed period, the State Transport Undertaking may sell the article in the prescribed manner and the sale proceeds thereof, after deducting the costs incidental to sale, shall be paid to the owner on demand."

45. *Amendment of section* 68*I*.—In section 68I of the principal Act, in sub-section (2), after clause (c), the folowing clauses shall be inserted, namely:—

"(*cc*) the manner in which application under sub-section (1) of section 68F may be made;

(*ccc*) the period within which the owner may claim an article found left in any transport vehicle under section 68HH and the manner of sale of such article;".

46. *Insertion of new section* 68*J*.—In Chapter IVA of the principal Act, after section 68I, the following section shall be inserted, namely:—

Certain powers of State Government exerciseable by the Central Government.—"68J. The powers conferred on the State Government under this Chapter shall, in relation to a corporation or

company owned or controlled by the Central Government or by the Central Government and one or more State Governments, be exerciscable only by the Central Government in relation to an inter-State route or area.".

47. *Insertion of new section* 69A.—After section 69 of the principal Act, the following section shall be inserted, namely:—

Vehicles to have right hand control.—"69A. Every motor vehicle shall be so constructed as to have right hand steering control unless it is equipped with a mechanical or electrical signalling device of a prescribed nature.".

48. *Amendment of section* 79.—Section 79 of the principal Act shall be re-numbered as sub-section (1) thereof and—

(*i*) in sub-section (1) as so re-numbered, after the words "driver of a motor vehicle", the words "with a right hand steering control" shall be inserted; and

(*ii*) after sub-section (1) as so re-numbered, the following sub-section shall be inserted, namely:—

"(2) In the case of a motor vehicle with a left hand steering control, the signal of an intention to turn to the right or left or to stop shall be given by a mechanical or an electrical device of a prescribed nature affixed to the vehicle:

Provided that the Central Government may, having regard to the width and the condition of the roads in any area or route, by notification in the Official Gazette, exempt, subject to such conditions as may be specified therein, any such motor vehicle or class of such motor vehicles from the operation of this sub-section for the purpose of plying in that area or route.".

49. *Amendment of section* 80.—To section 80 of the principal Act, the following proviso shall be added, namely:—

"Provided that the Central Government may, having regard to the width and condition of the roads in any area or route, by notification in the Official Gazette, exempt, subject to such conditions as may be specified therein, any such motor vehicle or class of such motor vehicles from the operation of this section for the purpose of plying in that area or route.".

50. *Amendment of section* 89.—In section 89 of the principal Act, after the words "When any person is injured", the words "or any property of a third party is damaged," shall be inserted.

51. *Amendment of section* 92.—In section 92 of the principal Act, in sub-section (1A), the words 'contiguous to it" shall be omitted.

52. *Amendment of section* 93.—In section 93 of the principal Act,—

(*i*) after clause (*b*), the following clause shall be inserted, namely :—

'(*bb*) " property " includes roads, bridges, culverts, causeways, trees, posts and mile-stones ;' ;

(*ii*) after clause (*c*), the following clause shall be inserted, namely :—

'(*d*) "third party" includes the Government.'.

53. *Amendment of section* 94.—In section 94 of the principal Act, in sub-section (3), for the *Explanation*, the following *Explanation* shall be substituted, namely :—

"*Explanation.*—For the purposes of this sub-section, appropriate Government means the Central Government or the State Government, as the case may be, and—

(*i*) in relation to any corporation or company owned by the Central Government or any State Government, means the Central Government or that State Government ;

(*ii*) in relation to any corporation or company owned by the Central Government and one or more State Governments means the Central Government ;

(*iii*) in relation to any other State Transport Undertaking or any local authority, means that Government which has control over that Undertaking or authority.".

54. *Amendment of section* 95.—In section 95 of the principal Act,—

(*a*) in sub- section (1),—

(i) for clause (b), the followingg clause shall be substituted, namely :—

"(b) *insures the person or classes of persons specified in the policy to the extent specified in sub-section* (2)—

(i) *against any liability which may be incurred by him in respect of the death of or bodily injury to any person or damage to any property of a third party caused by or arising out of the use of the vehicle in a public place* ;

(ii) *against the death of or bodily injury to any passenger of a public service vehicle caused by or arising out of the use of the vehicle in a public place, where there is no contributory negligence on the part of such passenger;*";

(*ii*) the following *Explanation* shall be added at the end, namely :—

"Explanation.—*For the removal of doubts, it is hereby declared that the death of or bodily injury to any person or damage to any property of a third party shall be deemed to have been caused by or to have arisen out of, the use of a vehicle in a public place notwithstanding that the person who is dead or injured or the property which is damaged was not in a public place at the time of the accident, if the act or omission which led to the accident occurred in a public place.*";

(*b*) in sub-section (2),—

(i) *in clause (a), for the word "twenty", the word "fifty" shall be substituted;*

(*ii*) for clauses (*b*) and (*c*), the following clauses shall be substituted namely :—

"(b) *where the vehicle is a vehicle in which passangers are carrier for hire or reward or by reason of or in pursuance of a contract of employment,—*

(i) *in respect of persons other than passengers carried for hire or reward, a limit of fifty thousand rupees in all;*

(ii) *in respect of passengers,—*

(1) *a limit of fifty thousand rupees in all where the vehicle is registered to carry not more than thirty passengers;*

(2) *a limit of seventy-five thousand rupees in all where the vehicle is registered to carry more than thirty but not more than sixty passengers;*

(3) *a limit of one lakh rupees in all where the vehicle is registered to carry more than sixty passengers; and*

(4) *subject to the limits aforesaid, ten thousand rupees for each individual passenger where the vehicle is a motor cab, and five thousand rupees for each individual passangers in any other case;*

(c) *save as provided in clause* (d), *where the vehicle is a vehicle of any other class, the amount of liability incurred;*

(d) *irrespective of the class of the vehicle, a limit of rupees two thousand in all in respect of damage to any property of a third party.*".

55. *Insertion of new section 95AA.*—After section 95A of the principal Act, the following section shall be inserted, namely :—

Security to be deposited by insurers.—"95AA. (1) In addition to the deposits required to be made under section 7 of the Insurance Act, 1938 (4 of 1938), every insurer who is competent to issue a policy of insurance in accordance with this Chapter, shall deposit and keep deposited with the Reserve Bank of India or the State Bank of India, a sum of rupees thirty thousand as security for the due discharge of any liability covered by a policy of insurance issued in accordance with the provisions of this Chapter.

(2) Any sum deposited under sub-section (1) shall be deemed to be part of the assets of the insurer but shall not be susceptible of any assignment or charge nor shall it be liable to any attachment in execution of any decree except for meeting the claims arising in respect of a policy of insurance issued after complying with the requirements of this Chapter.

(3) Where on an application made to it in this behalf, any Court or Claims Tribunal, which has made an award for compensation under this Act, is satisfied—

(*i*) that the applicant has exhausted all other remedies open to him to recover his dues from the insurer, or

(*ii*) that the award has been made after the insurer has gone into liquidation,

it may direct the payment of such compensation from out of the sum deposited under sub-section (1):

Provided that in the case of the insolvency of the insurer—

(*a*) such payment shall not be made until all claims under this Act against the insurer have been settled; and

(*b*) payment so made shall be proportionate to the amount of compensation allowed in each case.".

56. *Insertion of new section* 103A.—After section 103 of the principal Act, the following section shall be inserted, namely :—

Transfer of Certificate of insurance.—"103A. (1) Where a person in whose favour the certificate of insurance has been issued in accordance with the provisions of this Chapter proposes to transfer to another person the ownership of the motor vehicle in respect of which such insurance was taken together with the policy of insurance relating thereto, he may apply in the prescribed form to the insurer for the transfer of the certificate of insurance and the policy described in the certificate in favour of the person to whom the motor vehicle is proposed to be transferred, and if within seven days of the receipt of such application by the insurer, the insurer has not intimated the insured and such other person his refusal to transfer the certificate and the policy to the other person, the certificate of insurance and the policy described in the certificate shall be deemed to have been transferred in favour of the person to whom the motor vehicle is transferred with effect from the date of its transfer.

(2) The insurer to whom any application has been made under sub-section (1) may refuse to transfer to the other person the certificate of insurance and the policy described in that certificate if he consideres it necessary so to do, having regard to—

(*a*) the previous conduct of other person :—

(*i*) as a driver of motor vehicles ; or

(*ii*) as a holder of the policy of insurance in respect of any motor vehicle ; or

(*b*) any conditions which may have been imposed in relation to any such policy held by the applicant ; or

(*c*) the rejection of any proposal made by such other person for the issue of a policy of insurance in respect of any motor vehicle owned or possessed by him.".

57. *Amendment of section* 110.—In section 110 of the principal Act, in sub-section (1), for the words "motor vehicles", the following words shall be substituted, namely :—

" Motor vehicles, or damages to any property of a third party so arising or both :

Provided that where such claim includes a claim for compensation in respect of damage to property exceedingg rupees two thousand, the claimant may, at his option, refer the claim to a civil court for adjudication, and

where a reference is so made, the Claims Tribunal shall have no jurisdiction to entertain any question relating to such claim.

58. *Amendment of section* 110*A*.—In section 110A of the principal Act,—

(*a*) in sub-section (1),—

(*i*) in clause (b) for the words "by the legal representatives", the words " by all or any of the legal representatives " shall be suubstituted ;

(*ii*) in clause (c), for the words "or the legal representatives", the words " or all or any of the legal representatives " shall be substituetd ;

(*iii*) the following proviso shall be inserted at the end, namely :—

" Provided that where all the legal representatives of the deceased have not joined in any such application for compensation, the application shall be made on behalf of or for the benefit of all the legal representatives of the deceased and the legal representatives who have not so joined, shall be impleaded as respondents to the application.";

(b) in sub-section (3), for the words "sixty days", wherever they occur, the words 'six months" shall be substituted.

59. *Insertion of new section* 110*AA*.—After section 110A of the principal Act, the following section shall be inserted, namely :—

Option regarding claims for compensation in certain cases.— '110AA. Notwithstanding anything contained in the Workmen's Compensation Act, 1923, (8 of 1923) where the death of or bodily injury to any person gives rise to a claim for compensation under this Act and also under the Workmen's Compensation Act, 1923, the person entitled to compensation may claim such compensation under either of those Acts but not under both ".

60. *Amendment of section* 110*B*.—In section 110B of the principal Act, after the words "the insurer.", the words "or owner or driver of the vehicle involved in the accident or by all or any of them, as the case may be." shall be inserted.

61. *Amendment of section* 110*C*.—In section 110C of the principal Act, after sub-section (2), the following sub-sections shall be inserted, namely :—

"(2A) Without prejudice to the provisions of any other law for the time being in force, where a person to whom a summons is

issued either to attend or to give evidence or to produce documents or material objects at a certain place and time, intentionally omits to attend or to give evidence or to produce the documents or material objects at the place or time, the Claims Tribunal may impose on him all or any of the following penalties, namely :—

(*i*) a fine not exceeding two thousand and five hundred rupees ;

(*ii*) where such person is the driver of the vehicle involved in the accident, suspension of his driving licence ;

(*iii*) where such person is the owner of such vehicle, suspension of the permit or registration certificate in relation to that vehicle.

(2-B) Where in the course of any inquiry, the Claims Tribunal is satisfied that—

(i) there is collusion between the person making the claim and the person against whom the claim is made, or

(ii) the person against whom the claim is made has failed to contest the claim,

it may, for reasons to be recorded in writing, direct that the insurer who may be liable in respect of such claim, shall be impleaded as a party to the proceeding and the insurer so impleaded shall thereupon have the right to contest the claim on all or any of the grounds that are available to the person against whom the claim has been made."

62. *Insertion of new Sections* 110-*CC and* 110-*CCC*.—After Section 110-C of the principal Act, the following sections shall be inserted, namely :—

"110-CC. *Award of interest where any claim is allowed*.—Where any Court or Claims Tribunal allows a claim for compensation made under this Chapter, such Court or Tribunal may direct that in addition to the amount of compensation simple interest shall also be paid at such rate and from such date not earlier than the date of making the claim as it may specify in this behalf.

110-CCC. *Award of compensatory costs in certain cases*.—(1) Any Court or Claims Tribunal adjudicating upon any claim for compensation under this Act, may in any case where it is satisfied for reasons to be recorded in writing that—

(i) the policy of insurance is void on the ground that it was obtained by non-disclosure of a material fact or by representation of fact which was false in any material particular, or

(ii) any party or insurer has put forward a false or vexations claim or defence,

such Court or Tribunal may make an order for the payment, by the party who is guilty of non-disclosure or mis-representation or by whom such claim or defence has been put forward, or special costs by way of compensation to the insurer or, as the case may be, to the party against whom such claim or defence has been put forward.

(2) No Court or Claims Tribunal shall pass an order for special costs under sub-section (1) for any amount exceeding rupees one thousand.

(3) No person or insurer against whom an order has been made under this section shall, by reason thereof, be exempted from any criminal liability in respect of such non-disclosure, mis-representation, claim or defence as is referred to in sub-section (1).

(4) Any amount awarded by way of compensation under this section in respect of any non-disclosure, mis-representation, claim or defence, shall be taken into account in any subsequent suit for damages for compensation in respect of such non-disclosure, mis-representation, claim or defence."

63. *Amendment of Section* 110-*E*.—In Section 110-E of the principal Act, for the words "an insurer", the words "any person" shall be substituted.

64. *Amendment of Section* 111-*A*.—In Section 111-A of the principal Act, in clause (d), after the words "the manner in which", the words and brackets "and the fees (if any) on payment of which", shall be inserted.

65. *Insertion of new Section* 113-*A*.—After Section 113 of the principal Act, the following section shall be inserted, namely :—

"113-A. *Allowing unauthorised persons to drive vehicles*.—Whoever, being the owner or person in charge of a motor vehicle, causes or permits, any person who does not satisfy the provisions of Section 3 or Section 4, to drive the vehicle, shall be punishable with imprisonment for a term which may extend to three months, or with fine which may extend to five hundred rupees, or with both."

66. *Amendment of Section* 115.—In Section 115 of the principal Act,—

(i) in sub-section (1), for the words "one hundred rupees", the following shall be substituted namely :—

"two hundred rupees, or, if having been previously convicted of an offence under this sub-section is again convicted of

an offence under this sub-section, with fine which may extend to five hundred rupees";

(ii) in sub-section (2), for the words "two hundred rupees", the following shall be substituted, namely :—

"three hundred rupees, or, if having been previously convicted of an offence under this sub-section is again convicted of an offence under this sub-section, with fine which may extend to five hundred rupees".

67. *Amendment of Section* 123.—In Section 123 of the principal Act, in sub-section (1), after the words "for which the vehicle may be used", the words "or to the maximum number of passengers and maximum weight of luggage that may be carried on the vehicle" shall be inserted.

68. *Insertion of new Section* 123-A.—After Section 123 of the principal Act, the following section shall be inserted, namely :—

"123-A.—*Punishment of agents and canvassers without proper authority*.—Whoever engages himself as an agent or canvasser in contravention of the provisions of Section 66-A or any rules made thereunder shall be punishable for a first offence with fine which may extend to one thousand rupees and for a subsequent offence, if committed within three years of the commission of a previous similar offence, with imprisonment which may extend to six months, or with fine may extend to two thousand rupees, or with both :

Provided that no court shall, except for reasons to be stated in writing, impose a fine of less than five hundred rupees for any such subsequent offence."

69. *Amendment of Section* 124.—In Section 124 of the principal Act, for the words and figures "Section 72 or of the conditions of any permit issued thereunder, or in contravention of any prohibition or restriction imposed under Section 74 shall be punishable", the words and figures "Section 72 or of the conditions prescribed under that section, or in contravention of any prohibition or restriction imposed under Section 72 or Section 74, shall be punishable" shall be substituted.

70. *Insertion of new Section* 127-AA.—After Section 127-A of the principal Act, the following section shall be inserted, namely :—

"127-AA.—*Minimum penalty for second or subsequent offence*.—Save as otherwise provided in this Act, where a person, who has committed an offence punishable with fine (whether with or without imprisonment), under any provision of this Act, is again convicted

of an offence involving the contravention of the same provision, the fine imposed, if any, for the second or subsequent offence committed within a period of three years from the date of the commission of the previous offence shall not be less than one-fourth of the maximum fine prescribed for the first offence."

71. *Amendment of Section* 129-A.—To Section 129-A of the principal Act, the following proviso shall be added, namely :—

"Provided that where any such officer or person has reason to believe that a motor vehicle has been or is being used without the permit required by sub-section (1) of Section 42, he may, instead of seizing the vehicle, seize the certificate of registration of the vehicle and issue an acknowledgment in respect thereof."

72. *Amendment of Section* 130.—In Section 130 of the principal Act, for sub-section (1), the following sub-section shall be substituted, namely :—

"(1) The court taking cognizance of an offence under this Act,—

(i) may, if the offence is an offence punishable with imprisonment under this Act, and

(ii) shall, in any other case, state upon the summons to be served on the accused person that he—

(*a*) may appear by pleader and not in person, or

(*b*) may, by a specified date prior to the hearing of the charge, plead guilty to the charge by registered letter and remit to the court such sum (not exceeding the maximum fine that may be imposed for the offence) as the court may specify :—

Provided that nothing in this sub-section shall apply to any offence specified in Part A of the Fifth Schedule."

73. *Insertion of new Section* 131-A.—After Section 131 of the principal Act, the following section shall be inserted, namely :—

"131-A. *Courts to send intimations about conviction.*—Every court by which any person holding a driving licence is convicted of an offence under this Act or of an offence in the commission of which a motor vehicle was used, shall send intimation to—

(*a*) the licensing authority which issued the driving licence, and

(*b*) the licensing authority by whom the licence was last renewed,

and every such intimation shall state the name and address of the holder of the licence, the licence number, the date of issue and renewal of the same, the nature of the offence, the punishment awarded for the same and such other particulars as may be prescribed.".

74. *Insertion of new section* 132*A*.—In Chapter X of the principal Act, before section 133, the following section shall be inserted, namely :—

"132A.—*Power to levy fee.*—Any rule which the Central Government or the State Government is empowered to make under this Act may, notwithstanding the absence of any express provision to that effect, provide for the levy of such fees in respect of applications, amendment of documents, issue of certificates, licences, permits, tests, endorsements, badges, plates, counter-signatures, authorisation, supply of statistics or copies of documents or orders and for any other purpose or matter involving the rendering of any service by the officers or authorities under this Act or any rule made thereunder as may be considered necessary:

Provided that the Government may, if it considers necessary so to do, in the public interest, by general or special order, exempt any class of persons from the payment of any such fee either in part or in full.".

75. *Amendment of section* 133*A*.—In section 133A of the principal Act, after sub-section (3), the following sub-sections shall be inserted, namely :—

"(4) In addition to the powers that may be conferred on any officer of the Motor Vehicles Department under sub-section (3), such officer as may be empowered by the State Government in this behalf shall also have the power to,—

(*a*) make such examination and inquiry as he thinks fit in order to ascertain whether the provisions of this Act and the rules made thereunder are being observed ;

(*b*) with such assistance, if any, as he thinks fit, enter, inspect and search any premises which is in the occupation of a person who, he has reason to believe, has committed an offence under this Act or in which a motor vehicle in respect of which such offence has been committed is kept :—

Provided that—

(i) any such search without a warrant shall be made only by an officer of the rank of a gazetted officer;

(ii) where the offence is punishable with fine only the search shall not be made after sunset and before sunrise;

(iii) where the search is made without a warrant, the Gazetted officer concerned shall record in witing the grounds for not obtaining a warrant and report to his immediate superior that such search has been made

(*c*) examine any person and require the production of any register or other document maintained in pursuance of this Act, and take on the spot or otherwise statements of any person which he may consider necessary for carrying out the purpose of this Act;

(*d*) seize or take copies of any registers or documents or portions thereof as he may consider relevant in respect of an offence under this Act which he has reason to believe has been committed;

(*e*) to launch prosecutions in respect of any offence under this Act and to take a bond for ensuring the attendance of the offender before any court;

(*f*) exercise such other powers as may be prescribed:

Provided that no person shall be compelled under this sub-section to answer any question or make any statement tending to increminate himself.

(5) The provisions of the Code of Criminal Procedure, 1898 (5 of 1898) shall, so far as may be, apply to any search or seizure under this section as they apply to any search or seizure under the authority of any warrant issued under section 98 of that Code.".

76. *Amendment of section* 134.—In section 134 of the principal Act, after sub-section (1), the following sub-section shall be inserted, namely :—

"(1*A*) Notwithstanding anything contained in sub-section (1), if an application made by a person for the renewal of permit has been rejected by the original authority and such person has preferred an appeal or made an application for revision under this Act against such rejection, the appellate authority or, as the case may be, the

revisional authority may by order direct that the permit shall, notwithstanding the expiration of the term specified therein, continue to be valid until the appeal or application for revision is disposed of.".

77. *Insertion of new section* 135.—After section 134 of the principal Act, the following section shall be inserted, namely :—

"135. *Repeal and savings.*—(1) The enactments specified in the Twelfth Schedule are hereby repealed to the extent mentioned therein.

(2) Notwithstanding the repeal of any enactment by this section,—

(a) any notification, rule, regulation, order or notice issued, or any appointment or declaration made, or any licence, permission or exemption granted, or any confiscation made, or any penalty or fine imposed, or any forfeiture, cancellation or discharge of any bond ordered, or any other thing done, or any other action taken under the repealed enactment, shall, so far as it is not inconsistent with the provisions of this Act, be deemed to have been done or taken under the corresponding provision of this Act ;

(b) any document referring to any enactment hereby repealed, or to any provision thereof, shall be construed as referring to this Act or to the corresponding provision of this Act.

(3) Any penalty payable under any repealed enactment may be recovered in the manner provided by or under this Act but without prejudice to any action already taken for the recovery of such penalty under the repealed enactment.

(4) The mention of particular matters in this section shall not be held to prejudice or affect the general application of section 6 of the General Clauses Act, 1897 (10 of 1897), with regard to the effect of repeals.".

78. *Amendment of First Schedule.*—In the First Schedule to the principal Act,—

(a) in Form A, in Part III,

(i) in paragraph (b), after the words "with each eye", the following brackets and words shall be inserted, namely :—

"(or if you have held a licence to drive a motor vehicle for a period of not less than five years and if you

have lost sight of one eye after the said period of five years and if the application is for driving a light motor vehicle, other than a transport vehicle, fitted with an outside mirror on the steering wheel side, with one eye),";

(ii) in paragraph (*f*), after the words "unable to hear", the brackets and words "(and if the application is for driving a light motor vehicle, with or without hearing aid)" shall be inserted;

(*b*) in Form AA, for the words "I hereby", the following words "I, Shri/Shrimati/Kumari....., hereby" shall be substituted;

(*c*) in Form B,—

(i) below the heading "*Form of application for the renewal of driving licence*", the figure "I" shall be inserted;

(ii) for the words "I hereby apply", the words "I, Shri/Shrimati/Kumari....., hereby apply" shall be substituted;

(iii) for the words beginning with "I hereby declare" and ending with "danger to the public", the following figures, words, brackets and letters shall be substituted, namely :—

'*II*

Declaration as to physical fitness of the applicant

(The applicant is required to answer "yes" or "no" in the space provided opposite each question).

(*a*) Do you suffer from epilepsy, or from sudden attacks of disability, giddiness or fainting ?

(*b*) Are you able to distinguish with each eye (or if you have held a licence to drive a motor vehicle for a period of not less than five years and if you have lost sight of one eye after the said period of five years and if the application is for driving a light motor vehicle, other than a transport vehicle, fitted with an outside mirror on the steering wheel side, with one eye), at a distance of 25 meters in good daylight (with glasses, if worn), a motor car number plate containing seven letters and figures ?

(*c*) Have you lost either hand or foot or are you suffering from any defect in movement, control or muscular power of either arm or leg ?

(*d*) Can you readily distinguish pigmentary colours red and green ?

(*e*) Do you suffer from night blindness ?

(*f*) Are you so deaf as to be unable to hear (and if you are an applicant for the renewal of a driving licence in respect of light motor vehicle with or without hearing-aid) the ordinary sound signals ?

(*g*) Do you suffer from any other disease or disability likely to cause your driving of motor vehicle to be a source of danger to the public ?

I declare that to the best of my knowledge and belief, the particulars given in Section I and the declaration made in Section II hereof are true.

NOTE 1.—An applicant who answers " yes " to any of the questions (*a*), (*c*), (*e*), (*f*) and (*g*) or " no " to either of the questions (*b*) and (*d*) should amplify his answer with full particulars and may be required to give further information relating thereto.

NOTE 2.—An applicant who answers " yes " to questions (*b*), (*c*) and (*d*) in the declaration and "no" to the other questions may claim to be subjected to a test as to his competency to drive vehicles of a specified class or classes.

NOTE 3.—An application for renewal of a driving licence to drive as a paid employee or to drive a transport vehicle or where in any other case the original licence was issued on production of a medical certificate, shall be accompanied by a medical certificate in Form C.' :

(*d*) in Form C, in sub-paragraph (*d*) of paragraph 4, after the word " hearing ", the brackets and words " (and in the case of an applicant for a licence to drive a light motor vehicle, with or without hearing-aid) " shall be inserted ;

(*e*) in Form D,—

(i) for the expression " son/daughter of (father's name) ", the expression " wife/son/daughter, of " shall be substituted ;

(ii) for the words "He is", the expression "He/She is" shall be substituted;

(f) in Form E,—

(i) in item 1, for the words "or husband", the words and brackets "and husband (in the case of a married woman)" shall be substituted;

(ii) after item 7, the following item shall be inserted, namely :—

"7A. Cubic capacity.....";

(iii) after item 10, the following item shall be inserted, namely :—

"10A. Fuel used in the engine.....";

(iv) for item 15, the following item shall be substituted, namely :—

"15. Maximum laden weight—

(*a*) as certified by manufacturer..... ...Kgms.

(*b*) to be registered.....Kgms.";

(v) for the Note the following Note shall be substituted, namely :—

"NOTE.—The motor vehicle above described is—

(i) subject to a hire-purchase agreement with.. ;

(ii) subject to a hypothecation in favour of.... ;

(iii) not held under hire-purchase agreement or subject to any mortgage.

(Strike out whatever is not applicable and, if the motor vehicle is subject to hire-purchase agreement or hypothecation, obtain the signature of the hire-purchase company or the mortgagee, as the case may be).";

(vi) for the words "*Signature of the Hire Purchase Company*", the following expression shall be substituted:—

"Signature of—"Hire-purchase Company / Mortgagee";

(g) in Form G,—

(i) in line 8, for the words "or husband", the words and brackets "and husband (in the case of a married woman)" shall be substituted;

(ii) after item 7, the following item shall be inserted, namely :—

"7A. Fuel used in the engine.....";

(iii) after item 8, the following item shall be inserted, namely :—

"8A. Cubic capacity.....";

(iv) for item 12, the following item shall be substituted, namely :—

"Maximum laden weight—

(*a*) as certified by the manufacturer.....Kgms.

(*b*) as registered.....Kgms";

(v) for the Note, the following Note shall be substituted, namely :—

"NOTE.—The motor vehicle above described is—

(i) subject to a hire-purchase agreement with.....;

(ii) subject to a hypothecation in favour of.....;".

79. *Amendment of Second Schedule.*—In the Second Schedule to the principal Act,—

(i) in paragraph 4, after the words "with each eye", the following brackets and words shall be inserted, namely :—

"(or in the case of a person who has held a licence to drive a motor vehicle for a period of not less than five years and lost sight of one eye after the said period of five years and has applied for a licence to drive a light motor vehicle, other than a transport vehicle, with one eye)";

(ii) in paragraph 5, after the word "hearing", the words "or in the case of a person who has applied for a licence to drive a light motor vehicle, with or without hearing-aid" shall be inserted.

80. *Substitution of Third Schedule.*—For the Third Schedule to the principal Act, the following Schedule shall be substituted, namely :—

"THE THIRD SCHEDULE

[*See* sections 7(6) and 17(6)]

TEST OF COMPETENCE TO DRIVE

PART I

The candidate shall satisfy the person conducting the test that he is able to—

(1) start the engine of the vehicle;

(2) move away straight ahead and at an angle, while at the same time engaging the first and intermediate gears until the top gear is reached;

(3) change down to the lower gear quickly from the top gear when the traffic conditions warrant such change;

(4) overtake, allow to be overtaken, meet or cover the path of other vehicles and take an appropriate course with proper caution giving appropriate signals;

(5) turn right and left corners correctly;

(6) stop the vehicle in an emergency and normally and in the latter case bring it to rest at an appropriate course of the road;

(7) drive the vehicle backwards and whilst so doing enter a limited opening to the right and left;

(8) cause the vehicle to face in the opposite direction by means of forward and reverse gears;

(9) give by hand and by mechanical means (if fitted to the vehicle), or ,in the case of a disabled driver for whom it is impracticable or undesirable to give signals by hand, by mechanical means in a clear and unmistakable manner, appropriate signals at appropriate times to indicate his intended actions;

(10) act correctly and promptly on all signals given by traffic signs, automatic traffic lights, traffic police or other authorised persons and take appropriate notice of signs given by other road users;

(11) demonstrate general control of the vehicle by confident steering and smooth gear changing and braking as and when necessary;

(12) to change quickly to lower gear while driving downhill,

(13) to stop and re-start the vehicle on a steep upward incline making proper use of the handbrake or of the throttle and the foot-brake without any rolling back.

Note.—(i) Requirements (7) and (8) are not applicable in the case of a motor cycle or a tri-cycle not equipped with means for reversing;

(ii) Requirements (7), (8) and (9) are not applicable in the case of invalid carriages.

PART II

The candidate shall satisfy the person conducting the test that he is—

(1) cognizant of the provisions of Sections 81, 82, 83, 84 and 85 and of the Tenth Schedule;

(2) conversant with the general traffic rules and regulations relating to the use of lights, speeding, parking, stopping the vehicle in an emergency, accidents, production of documents, right of way, controlled and uncontrolled pedestrian crossings, meaning of light signals (amber, red and green), overtaking, taking a "U" turn, silence zones, one-way traffic, driving on channelised roads and other relevant matters;

(3) aware of the meaning of the traffic signs specified in the Ninth Schedule;

(4) not so deaf as to be unable to hear (or in the case of a person who has applied for a licence to drive a light motor vehicle with or without hearing-aid), the ordinary sound signals. (This shall not apply to a person who has produced a medical certificate in Form C);

(5) able to distinguish with each eye (or in the case of a person who has held a licence to drive a motor vehicle for a period of not less than five years and lost sight of one eye after the said period of five years and has applied for a licence to drive a light motor vehicle, other than a transport vehicle, fitted with an outside mirror on the steering wheel side, with one eye) at a distance of 25 metres in good daylight (with glasses if worn) a motor car number plate containing seven letters and figures. (This shall not apply to a person who has produced a medical certificate in Form C.).".

81 *Substitution of Sixth Schedule.*—For the Sixth Schedule to the principal Act, the following Schedule shall be substituted, namely:—

"THE SIXTH SCHEDULE

[*See* Section 24(3) and 29(2)]

REGISTRATION MARKS

One of the groups of letters specified in the second column followed by any other letter shall be used as the registration mark for a vehicle in the State specified in the first column.

1	2
Andhra Pradesh	AP, AA
Assam	AS
Bihar	BR, BH
Gujarat	GJ, GT
Kerala	KL
Madhya Pradesh	MP, CP
Madras	MD, MS
Maharashtra	MR, MH
Mysore	MY, ME
Nagaland	NL
Orissa	OR, OS
Punjab	PN, PU
Rajasthan	RJ, RS
Uttar Pradesh	UP, US, UT
West Bengal	WB, WG, WM
Delhi	DL, DH
Goa, Daman, Diu	GD
Himachal Pradesh	HI, HP
Manipur	MN
Pondicherry	PY, PD
Tripura	TR
Andaman and Nicobar Islands	AN
Laccadive, Minicoy and Amindivi Islands ..	LC, MA

Note 1.—These letters shall be followed by not more than four figures, and the letters and figures shall be shown—

1. In the case of transport vehicles ..	In black on a white ground.
2. In the case of temporary registrations (Section 25) .	In red on a yellow ground.

3.	In the case of registration marks allotted to dealers (Section 41(2)(*k*).	In white on a red ground.
4.	In other cases ..	In white on a black ground.

Note 2.—In respect of the Maharashtra State, the letters BM, BY may continue to be used in respect of vehicles which were registered before the 1st October, 1961.".

82. *Substitution of Eighth Schedule.*—For the Eighth Schedule to the principal Act, the following Schedule shall be substituted, namely :—

"THE EIGHTH SCHEDULE

(*See* Section 71)

LIMITS OF SPEED FOR MOTOR VEHICLES

Class of vehicle	*Maximum speed per hour in Kilometers*
(1) If all the wheels of the vehicle are with pneumatic tyres and the vehicle is not drawing a trailer :—	
(*a*) if the vehicle is a light motor vehicle or a motor cycle.	No limit.
(*b*) if the vehicle is a medium or heavy passenger motor vehicle.	
(c) if the vehicle is a medium or heavy goods motor vehicle.	
(*d*) if the vehicle is a heavy goods motor vehicle with an articulated trailer.	
(2) If the vehicle is drawing not more than one trailer (or in the case of artillery equipment, not more than two trailers) and all the wheels of that vehicle and the trailer are fitted with pneumatic tyres :—	
(*a*) if the vehicle is a light motor vehicle and the trailer being two-wheeled has a laden weight not exceeding 800 kgms.	

(b) if the vehicle is a light motor vehicle and the trailer has more than two wheels or a laden weight exceeding 800 kgms.,

(c) if the vehicle is a medium motor vehicle .. 50

(d) if the vehicle is a heavy motor vehicle .. 40

(3) Any case not covered by entry (1) or entry (2). 30"

83. *Insertion of new Schedule*.—After the Eleventh Schedule to the principal Act, the following Schedule shall be inserted, namely :—

"THE TWELFTH SCHEDULE

(*See* section 135)

REPEAL OF CERTAIN ENACTMENTS

Serial No.	*Short title*	*Extent of repeal*
1	2	3
1.	Motor Vehicles (Andhra Pradesh) (Andhra Area) Amendment Act, 1948 (20 of 1948).	The whole except sections 1 and 12.
2.	Motor Vehicles (Andhra Pradesh) (Telangana Area) Amendment Act, 1956 (45 of 1956).	The whole.
3.	Assam State Road Transport Act, 1954 (30 of 1954).	The whole.
4.	Assam State Road Transport (Amendment) Act, 1955 (18 of 1955).	The whole.
5.	Motor Vehicle (Bihar Amendment) Act, 1949 (27 of 1950).	The whole except sections 1 and 3.
6.	Motor Vehicles (Bihar Amendment) Act, 1953 (1 of 1954).	The whole.
7.	Motor Vehicles (Madras Amendment) Act, 1948 as applicable to Kerala (20 of 1948).	The whole except sections 1 and 3.
8.	Motor Vehicles (Madras Amendment) Act, 1949 as applicable to Kerala (44 of 1949).	The whole.

1	2	3
9.	Motor Vehicles (Madras Amendment) Act, 1954 as applicable to Kerala (39 of 1954) .	The whole.
10.	Motor Vehicles (Madras Amendment) Act, 1948 (20 of 1948) .	The whole except sections 1, 3 and 5.
11.	Motor Vehicles (Madras Amendment) Act, 1949 (44 of 1949) .	The whole.
12.	Motor Vehicles (Madras Amendment) Act, 1954 (39 of 1954) .	The whole except sections 1 and 2.
13.	Central Provinces and Berar Motor Vehicles (Amendment) Act, 1947 as applicable to Madhya Pradesh (3 of 1948) .	The whole.
14.	Motor Vehicles (Bombay Amendment) Act, 1947 (7 of 1947) .	The whole.
15.	Central Provinces and Berar Motor Vehicles (Amendment) Act, 1947 as applicable to Maharashtra (3 of 1947) .	The whole.
16.	Motor Vehicles (Bombay Amendment) Act, 1954 (31 of 1954) .	The whole.
17.	Motor Vehicles (Hyderabad Amendment) Act, 1956 as applicable to Maharashtra (55 of 1956) .	The whole.
18.	Motor Vehicles (Mysore Amendment) Act, 1953 (14 of 1953) .	The whole.
19.	Motor Vehicles (Mysore Amendment) Act, 1955 (166 of 1955).	The whole.
20.	Motor Vehicles (Bombay Amendment) Act, 1947 as applicable to Mysore (7 of 1947).	The whole.
21.	Motor Vehicles (Bombay Amendment) Act, 1954 as applicable to Mysore (31 of 1954) .	The whole.
22.	Motor Vehicles (Hyderabad Amendment) Act, 1956 as applicable to Mysore (45 of 1956) .	The whole.
23.	Motor Vehicles (Madras Amendment) Act, 1948 as applicable to Mysore (20 of 1948).	The whole.

1	2	3
24.	Motor Vehicles (Madras Amendment) Act, 1949 as applicable to Mysore (45 of 1949) .	The whole.
	Orissa Motor Vehicles (Amendment) Act, 1948 (1 of 1949) .	The whole.
	Orissa Motor Vehicles (Regulation of Stage Carriage and Public Carrier's Services) Act, 1947 (36 of 1947).	The whole.
	Orissa Motor Vehicles (Regulation of Stage Carriage and Public Carrier's Services) Amendment Act, 1951 (41 of 1951) .	The whole.
28.	Motor Vehicles (East Punjab Amendment) Act, 1948 (28 of 1948) .	The whole except sections 1, 3, 4 and 10.
29.	Motor Vehicles (United Provinces Amendment) Act, 1948 (11 of 1948) .	The whole.
30.	Motor Vehicles (Uttar Pradesh Amendment) Act, 1953 (28 of 1953) .	The whole.
31.	Uttar Pradesh Road Transport Services (Development) Act, 1955 (9 of 1955) .	The whole except sections 1 and 14.
32.	Motor Vehicles (West Bengal Amendment) Act, 1951 (19 of 1951) .	The whole.
33.	Motor Vehicles (Delhi Amendment) Act, 1954 (5 of 1954) .	The whole.
34.	Himchal Pradesh State Road Transport Act, 1953 (5 of 1954) ."	The whole.

STATEMENT OF OBJECTS AND REASONS

The Motor Vehicles Act, 1939 was amended comprehensively in 1956. Some minor amendments were also effected in the Act in 1960. With the rapid development of road transport during the past few years, a large number of suggestions for amendment of the Act have been received from the various State Governments and persons interested in the industry. The nationalised road transport undertakings have on the strength of their experience, also been pressing for some changes in the provisions which were introduced in 1956. Further, two Committees appointed by the Government, *viz.*, the Road Transport Reorganisation Committee, 1959 (commonly known as the Masani Committee) and the Motor Vehicles Insurance Committee, 1962-63, have made a number of recommendations requiring amendments to the Act. Besides, some suggestions for the amendment of the Act have also been made by some other bodies including the Technical Committee on Road Transport, the Road and Inland Water Transport Advisory Committee and the Transport Development Council. The Bill seeks to give effect to the above mentioned recommendations and to remove the difficulties with regard to the administration of the Act which have come to the notice of the Central Government from time to time.

The main purpose of the Bill is to provide for stricter control over drivers; liberalisation of the existing provisions relating to compensation payable to victims of road accidents; liberalisation of restrictions on inter-State movement of motor vehicles including tourist vehicles; provision of better facilities and amenities in tourist vehicles; improvements in the procedure for the grant and renewal of permits, registration certificates, driving licences and certificates of vehicle fitness; speedy and effective enforcement of the motor vehicle law; removal of procedural difficulties and doubts in regard to interpretation of certain provisions by clarifying the intention; levy of fees by various authorities for any specific services rendered by them; more severe punishment for repeated offences of the same nature; revision of the speed limits and weight limits of certain categories of vehicles and omission of certain obsolete provisions as well as repeal of such State amendments to the Act as are repugnant to the provisions of the Act.

The Bill also seeks to provide for the following matters which are not covered by the existing law, namely :—

(1) Compulsory insurance of motor vehicles against damage to property of third parties, including public property, of a value not exceeding Rs. 2,000.

(2) Imposition of penalty for wilful misrepresentation of facts by the registered owner of a vehicle to the insurer.

(3) Imposition of penalty for vexatious attempt by the insurer to repudiate his liability.

(4) Imposition of liability on the insurer to make a special deposit for payment of any claims that are unreasonably delayed or that may be settled after the insurer has gone into liquidation.

(5) Levy of interest where the insurer or the owner or the driver of the vehicle, as the case may be, delays payment of compensation decreed by a Court or awarded by a Tribunal.

(6) Covering of passenger risks in public service vehicles irrespective of the culpability of the owner or driver of such vehicle for any accident in which it may be involved provided that there was no contributory negligence on the part of the victim.

(7) Empowering of a hirer who possesses a driving licence for motor cars, to drive a taxi.

(8) Exemption from the requirement regarding the counter-signature of permit of a transport vehicle operating on an inter-State route in cases where the terminal points of the route are within the same State but the route passes over a distance of less than 16 kms. through another State.

(9) Validation of a specified number of contract carriage permits relating to tourist coaches and tourist taxis issued in one region of the State, in the other regions of that State without counter-signatures by the transport authorities of the other regions.

(10) Validation of a specified number of contract carriage permits relating to tourist coaches and tourist taxis issued in one State, in the other States without counter-signatures.

(11) Appointment of State Transport Appellate Tribunals, constituted by full-time judicial officers not below the rank of a District Judge, to hear appeals/revisions against the orders of the State/Regional Transport Authorities.

The provisions of the Bill have been more fully explained in the Notes on clauses of the Bill.

NEW DELHI,

RAJ BAHADUR.

The 6th December, 1965.

Notes on Clauses

Clause 2.—Sub-clause (a) .—It has been noticed that private cars are sometimes being hired or leased to third parties on a time basis without a route or area permit, taking advantage of the fact that the existing definition of a contract carriage does not visualise the hiring of a vehicle on time basis. This sub-clause therefore, seeks to include in this definition a car hired on time basis without refcrence to any particular route or distance.

Sub-clauses (b) and (c) .—Motor vehicles are classified as "heavy", "medium" and "light" for purposes of speed restrictions and also for the grant of driving licences. For instance, the maximum speed prescribed for a heavy vehicle is less than that prescribed for a medium or a light vehicle. In view of the improvement in recent years in the design of motor vehicles and also in road conditions, these sub-clauses seek to increase the weight limits for motor vehicles falling within this classification.

Sub-clause (d) .—Small three-wheelers (used for purposes of passenger transport) weigh slightly more than 500 kilograms but less than 600 kilograms. Instead of defining these vehicles separately for the purposes of the Act, this sub-clause seeks to classify them as motor-cycles by increasing the weight limit prescribed in regard to motor-cycles.

Sub-clause (e) .—Tourist coaches and tourist taxis are not defined in the Act at present. This sub-clause seeks to include them in the category of contract carriages so as to enable State Governments to ensure that vehicles used solely for tourists conform to much better standards of comfort as the State Government may specify in this behalf.

Clause 3.—Under the existing law, a person possessing a driving licence for a private car cannot drive a taxi cab even for his own use. In foreign countries, however, it is possible to hire and drive a taxi cab, on payment of moderate charges. This clause seeks to introduce a similar facility in India, particularly for the purpose of promotion of tourism.

Clause 4.—At present, a person has to apply for a driving licence to the licensing authority of the area where he ordinarily resides or carries on business. It has been pointed out that motor driving training schools do not exist in all the districts and it will be convenient to a person who undergoes training in a school to secure his driving licence before leaving the school. This clause enables a

person to obtain a driving licence from the licensing authority of the area in which the school where he gets training in motor driving is situated.

Clause 5.—Sub-clause (a).—At present, a driver of a transport vehicle and paid drivers of other motor vehicles are required to produce medical certificates only when they get the driving licence for the first time. With a view to reducing the risk of accidents owing to any disease or disability from which the holder of the licence may suffer, it is proposed to provide by this sub-clause for the production of medical certificate for the renewal of driving licence of such person.

Sub-clause (b).—This sub-clause is designed to ensure that unscrupulous drivers with a bad record of driving do not get their licences renewed in other places where their antecedents are not known. To prevent hardship to the drivers a provision has been made for the grant of provisional licences pending the verification of their antecedents.

Clauses 6 and 7.—At present, only total disqualification of a driver is possible. There may, however, be cases where it may be sufficient to restrict a driving licence to only vehicles of a particular class or description. These clauses enable the authorities concerned to order such partial disqualifications.

Clause 8.—This clause makes a consequential amendment

Clause 9.—Sub-clause (a).—This sub-clause enables a State Government to prescribe minimum qualifications for drivers of transport vehicles. It also contains the necessary safeguard to the effect that the existing drivers will be given sufficient time to acquire such qualifications as may be prescribed.

Sub-clause (b).—It has been pointed out that hold-up of inter-State traffic can be reduced if the drivers of public carriers' vehicles operating on inter-State permits wear distinctive badges and uniforms. The proposed amendment will enable the State Governments to frame rules prescribing such distinctive badges and uniforms.

Sub-clause (c).—Under clause (i) of sub-section (2) of section 21 of the Act, schools for giving driving instructions are established with the approval of the licensing authority of the area in which the school is to be established. These schools have also to be inspected and controlled by the licensing authority. The approval, inspection and control involve a considerable amount of work and expenditure

on the part of the licensing authority. Since the schools are run on commercial lines and adequate fees are realised from the persons receiving instruction and training, the proposed amendment provides for the levy of registration fee on these schools.

Clause 10.—It has been observed that chassis, registered temporarily and handed over to body-builders, are often not returned by the body-builders within a period of one month. The proposed amendment permits the registering authority to raise the maximum period of validity of temporary registration from one month to three months in respect of such chassis.

Clause 11.—It has been pointed out that considerable difficulties have been experienced in cases in which motor vehicles owners give incorrect addresses when they get their vehicles registered. The proposed amendment enables the registering authority to refuse registration, if inaccuracy in the particulars furnished in the application for registration is detected.

Clause 12.—This clause omits section 29A because the provisions of this section do not serve any useful purpose now

Clause 13.—At present there are no substantive provisions in the Act, enabling any endorsement on the certificate of registration of a vehicle to indicate that the vehicle is either covered by hire-purchase agreements or is hypothecated against any loans. The existing forms E and G in the First Schedule relating to registration of a motor vehicle, include a provision for indicating the name of the hire purchase financier if a vehicle at the time of registration is held under an agreement Detailed provisions have, of course, been made by the State Governments in the Motor Vehicles Rules regarding hire-purchase transactions. However, experience has shown that statutory provisions with regard to this matter are necessary.

Motor Vehicles are acquired not merely on hire-purchase basis but also with loans taken from banks, etc. The vehicles are offered as security for such loans. In the absence of any provision in the Act in regard to such hypothecation, it has been pointed out that banks, etc., are reluctant to finance the purchase of vehicles.

This clause provides for the endorsement of hire-purchase or hypothecation agreements on certificates of registration, cancellation of such endorsements and transfer of vehicles held under such agreements.

Clause 14.—The amendments made by this clause are of a purely clarificatory nature and are meant to remove the doubts raised in the course of the administration of section 36.

Clause 15.—It has been pointed out that certificates of fitness in respect of new transport vehicles are granted for different periods in the different States. Since new vehicles are expected to remain roadworthy for at least one year from the date of their registration, it is considered desirable to prescribe this minimum period in the Act itself. It is, however, felt that the certificate of transport vehicle licensed to operate in hilly areas should be subject to review after every six months because such vehicles are put to greater strain than the vehicles operating in plains.

Clause 16.—*Sub-clause* (*a*).—This amendment rectifies mistake which occurred in the Act in 1956.

Sub-clause (*b*).—This amendment is consequential upon the insertion of new section 31A proposed in clause 13 and it also seeks to empower State Governments to prescribe fees for endorsement of hire-purchase or hypothecation agreements on the certificate of registration.

Clause 17.—*Sub-clause* (*a*).—This sub-clause clarifies that a transport vehicle should not be used on a route which is not covered by its permit, even when it does not carry goods or passengers for hire or reward. This clarification became necessary because of a ruling of a High Court to the effect that the conditions of a permit are not binding on the permit holder when the transport vehicle concerned is run empty.

Sub-clause (*b*) (*ii*) and (*v*).—Experience has indicated that besides the purposes specified in sub-section (3) of section 42 for exemption of transport vehicles from the necessity of taking permits, it is necessary to allow such exemption in the case of the following classes of transport vehicles also :—

(i) any transport vehicle used by a dealer of motor vehicles or a body-builder for such purposes, (*e.g.*, demonstration of vehicles) as may be specified by the Central Government ;

(ii) any transport vehicle purchased in one State and proceeding to a place situated in any other State, without carrying any passenger or goods ;

(iii) any transport vehicle which has been temporarily registered, while proceeding empty to any place for the purpose of regular registration ;

(iv) any transport vehicle used for such purposes (other than plying for hire or reward) as the Central Government may specify by Notification : this is intended to facilitate inter-State movement of transport vehicles, *e.g.*, second-hand transport vehicles purchased in one State to be driven, empty to another State.

Sub-clause (*b*) (iv).—The words "except as may otherwise be prescribed" occurring in the beginning of clause (i) of sub-section (3) of section 42 have been taken, in certain States, to imply that light motor vehicles of the class mentioned in that clause can also be subjected to permit control. It was never intended to subject such vehicles used for non-commercial purposes to permit control. Hence the sub-clause seeks to delete these words.

Clause 18.—This is a clarificatory amendment.

Clause 19.—The proposed amendment enables the State Governments to constitute Regional Transport Authorities in any manner they think fit, *i.e.*, a Regional Transport Authority may consist of a single official or members of a Regional Transport Authority may be officials or non-officials or both. Provision has also been made for the transaction of business in the absence of the Chairman or any other member of a Transport Authority: this provision has been made for removing the doubts which were expressed during the course of administration of the provisions of section 44 of the Act.

Clause 20.—At present the operators have to approach several Regional Transport Authorities for counter-signature of permits when the route covered by such permits passes through several regions. Moreover a permit granted by one Regional Transport Authority is not valid in other regions even in the same State. This clause seeks to enable the grant or counter-signature of inter-regional and inter-State permits by the State Transport Authortiy.

This clause also requires every applicant for the grant of a stage carriage permit or a public carrier's permit to make a security deposit with a view to preventing the making of frivolous applications for the purpose of preventing the issue of a temporary permit under section 62 of the Act.

Clause 21.—These are clarificatory amendments.

Clause 22.—Unlike sections 51 and 56 which relate to the grant of contract carriage and public carrier's permits, section 48 does not authorise a Regional Transport Authority to vary or extend or curtail the route or area of a stage carriage permit. Since it may not be possible or desirable in certain cases to open new routes, *e.g.*, when services are required to be provided over a small stretch beyond the termini of an existing route, it is expedient to treat any such extension as variation of the existing permit. The proposed amendment will facilitate this procedure. Care has been taken to ensure that variation is granted only to serve the public convenience and only for short distances.

Clause 23.—It has been pointed out that when taxi permit holders are prosecuted for over-loading, they frequently take the plea that such over-loading does not amount to a breach of any condition of the permit because sub-section (2) of Section 51 does not contain a clause analogous to clause (vi) of sub-section (3) of Section 48 which applies to stage carriage permits. This clause seeks to clarify the position.

Clause 24.—This amendment is consequential upon the amendments of Sections 46 and 48 proposed in clauses 21 and 22.

Clause 25.—It has been pointed out that there is no uniform practice in the different States in regard to the renewal of permits, in cases where orders on renewal applications are passed after the expiry of the permits. In some States, renewal is granted from the date of the expiry of the permit while in others it is effective from the date on which it is actually sanctioned. This clause seeks to make it clear that the period of renewal of the permit shall run from the date of expiry of the original permit and ensures continuity of the permit and uniformity in this matter in all the States. This clause also provides for the refund of the fee paid in respect of temporary permit which may have been granted during the period from the date of expiry of the original until the renewal of the permit.

Clause 26.—*Sub-clause* (*a*).—It has been pointed out that replacement of a vehicle by another vehicle of the same capacity is difficult because the vehicles of recent models are generally of larger carrying capacity and that obtaining of a new permit involves not merely delay but competition with other new applicants, including some who have statutory advantage like a co-operative society. The proposed amendment seeks to protect the interest of a person whose permit has not expired but who, for good reasons, has to replace the vehicle covered by his permit by a new vehicle of a different capacity.

Sub-clause (*b*) (*i*).—The amendment seeks to enable a Transport Authority to suspend or cancel the permit of a transport vehicle which has operated without a valid certificate of fitness. It is felt that this executive action of the Transport Authorities will be deterrent to the practice of plying defective transport vehicles which are responsible for many accidents.

Sub-clause (*b*) (*ii*).—This is a clarificatory amendment and brings the provision of clause (c) of sub-section (3) of Section 59 in line with the provision of clause (i) of sub-section (1) of Section 43.

Sub-clause (*b*) (*iii*).—Section 5 requires that the owner of a vehicle shall not permit the vehicle to be driven by a person who does not hold a proper licence. Section 112 provides a maximum fine of Rs. 100 for the offence for the first time and Rs. 300 for a

subsequent offence. It has been felt that this penalty is not adequate and the permit should also be made liable to cancellation or suspension in the case of the owner of a transport vehicle who employes an unlicensed driver. The proposed amendment seeks to achieve this object.

Clause 27.—Sub-clause (*a*) and (*b*).—Since the State and Regional Transport Authorities may consist of several members and it may not be possible for all of them to meet often, it has been considered necessary to delegate their powers of suspending a permit or reducing the number of vehicles or the road or area covered by the permit for a period not exceeding a month, to any person subject to the condition that his order shall be placed within that period before the State Transport Authority or Regional Transport Authority concerned who may either vacate the orders made by that person or pass such other orders as it may consider fit. Such delegation has already been made in several States. There are conflicting judgments in two High Courts on the scope for delegating to the Secretary of a Transport Authority the power to suspend a permit issued by that Authority. The proposed amendment seeks to place the matter beyond doubt.

Sub-clause (*c*).—This sub-clause seeks to vest the power to compound offences conferred on a Transport Authority, in the appellate authority on appeal against an order of the Transport Authority revoking or suspending a permit.

Clause 28.—This amendment seeks to remove the difficulties which have been experienced in the grant of temporary permits in genuine cases, *viz.*, to cover the period of injunction issued by a Court or an Appellate Tribunal against the issue of a regular permit or to cover the period of suspension of a permit by a Court.

Clause 29.—*Sub-clause* (*a*).—At present a permit issued in one State for a vehicle which operates on a route passing also through other States will have to be countersigned by all the transit States. It has been pointed out that this procedure serves no useful purpose in regard to a route which originates and terminates in the same State but includes a negligible portion of another State. This amendment dispenses with the counter-signature procedure if the distance in the transit State does not exceed 16 kilometres and it will facilitate the flow of traffic on such routes.

Sub-clause (*b*).—This amendment is consequential upon the insertion of sub-section (2) in Section 45 as proposed in clause 20.

Sub-clauses (*c*) *and* (*d*).—There is no uniformity at present in the procedure being followed by the different State Governments in regard to the grant or counter-signature of permits in pursuance of the reciprocal agreements into which they enter. It has been repre-

sented that the existing operators providing services in the State in which a permit is countersigned do not sometimes get a reasonable opportunity to make representation about the adequacy of the services for the traffic available on the routes in question. It has been further represented that once an inter-State agreement is finalised, its revision may become difficult. This amendment requires a State Government to publish in its Gazette the draft of an agreement which it proposes to conclude with another State Government for the operation of transport vehicles on any inter-State route and provides an opportunity to the existing operators and other interests concerned to file objections. The agreement is to be finalised after considering the objections and it is to be published in the Gazette before implementation.

Sub-clause (*e*) .—The existing procedure for the grant of special permits under sub-section (6) of section 63 involves delays which adversely affect tourist traffic. It has been considered that the interests of tourist traffic require the grant of regular inter-regional and inter-State permits for vehicles used exclusively for tourists. Operation of these tourist vehicles will be subject to certain special conditions in the interest of the passengers.

Clause 30.—This clarificatory amendment will obviate the possibility of any conflict between the directions issued by the Inter-State Transport Commission under section 63-A (2) (c) and those issued by a State Government under section 43 (1) .

Clause 31.—The rule-making powers of the Central Government under clause (h) of section 63-C enables the constitution of an Appellate Authority against the decision of the Inter-State Transport Commission. It has been pointed out that this rule-making power should be backed by substantive provisions in this matter. Hence this amendment.

Clause 32.—This amendment is consequential upon the amendment made by clause 31.

Clauses 33 *and* 34.—Sub-clause (a) (i) of Clause 33 makes an amendment which is consequential to the amendment of sections 45 and 63 [*vide* clauses 20 and 29 (e)]. The other provisions in these clauses provide for the appointment in each State of Transport Appellate Tribunal with a full-time judicial officer, not below the rank of a District Judge, to hear appeals and revisions against the orders of the State Transport Authority and Regional Transport Authorities. An exception has, however, been made in the case of Union territories in view of their small size and the difficulty in securing the services of whole-time judicial officers in those territories.

The explanation in clause 33 makes it clear that a State Transport Appellate Tribunal will continue to decide whether the orders of the State/Regional Transport Authorities, which seek to give effect to the directions or orders of the Inter-State Transport Commission, are strictly in consonance with the Commission's directions or orders and that at no stage, the subject-matter of the Commission's directions or orders will fall within its jurisdiction. An appeal against the Commission's directions or orders shall be heard by the appellate authority specified by the Central Government under clause (b) of Section 63-C.

Clause 35.—The Motor Transport Workers Act, 1961, which applied only to motor transport undertakings employing five or more transport workers, restricts the hours of work of drivers of transport vehicles to 8 hours per day and 48 hours per week. The proposed amendment seeks to bring the existing provisions of the Motor Vehicles Act in line with the requirements of the Motor Transport Workers Act in respect of hours of work of drivers.

Clause 36.—Rules have been made by certain State Governments under clause (w) and (ww) of sub-section (2) of Section 68 for licensing of persons engaged in the business of sale of tickets for travel by public service vehicles and in the business of collecting, forwarding and distributing goods carried by public carriers. These rules of one State have been declared null and void by that State's High Court. The proposed new section 66-A seeks to remove any doubt about the validity of the rules under said section by making substantive provisions in the Act.

Clause 37.—*Sub-clause* (*a*).—This amendment is consequential upon the insertion of proviso (ii) in sub-section (2) of Section 44 by clause 19 (b).

Sub-clause (*b*).—It has been pointed out that applications for permits which are required to be published under Section 57, for any representations by the interests affected, are not published for considerable periods—thereby delaying a decision on the applications. It has also been represented that copies of the applications should be supplied to those who, on payment of specified fee, desire to be placed on the list of subscribers for this purpose. This amendment, therefore, authorises the State Government to provide for the publication of applications within a reasonable time from the date of their receipt and also for the grant of copies of applications to the interests affected on payment of fee to be specified in this behalf.

Sub-clause (*c*).—This is a clarificatory amendment.

Clause 38.—*Sub-clause* (*a*).—Sub-clause (iii) of clause (b) of Section 68-A is superfluous as the Delhi Road Transport Authority Act, 1950 has already been repealed by the Delhi Municipal Corporation Act, 1956 and the Delhi Transport Undertaking is now covered by sub-clause (iv) of clause (b) of the said Section 68-A.

Sub-clause (*b*).—This amendment seeks to bring within the purview of Chapter IV-A of the Act such road transport undertakings as are owned or controlled by the Central Government or by the Central Government and one or more State Governments.

Clause 39.—Experience has shown that innumerable objections most of them frivolous, are filed under sub-section (1) of Section 68-D by persons who have no interest in the matter, presumably at the instigation of affected private operators so that there may be delay in finalising the schemes by State Road Transport Undertakings. This amendment restricts representations which may be filed against the schemes of State Road Transport Undertakings to the classes of persons who are at present eligible to file such objections under Sections 47 and 55 of the Act relating to the procedure for considering applications for stage carriage and public carrier's permits.

Clause 40.—*Sub-clause* (*i*).—This amendment seeks to enable certain modifications to be made by a State Transport Undertaking in its approved scheme, with the prior approval of the State Government, without publishing the modifications for the purpose of inviting objections, in respect of completely nationalised routes. This provision will be in the public interest, as State Transport Undertakings will be able to adjust timing of their service quickly in response to public requirements.

Sub-clause (*ii*).—This amendment authorises the State Government to review and modify an approved scheme of a State Road Transport Undertaking, at any time in the light of its working, after giving a hearing to the persons concerned in the event of the modifications being prejudicial to their interest.

Clause 41.—*Sub-clause* (*a*) (*i*).—The existing provision which requires a State Transport Undertaking to apply for permits in the manner specified in Chapter IV for implementation of its scheme, does not serve any useful purpose, because the views of the concerned persons would have already been taken into account by the State Government before approving the scheme. This amendment, therefore, leaves it to the State Governments to prescribe the manner in which the applications for permits should be made by State Transport Undertakings.

Sub-clause (*a*) (*ii*).—This amendment requires the making of applications by State Transport Undertakings for permits to the State Transport Authority if the route or area which will be covered by the permit lies in more than one region.

Sub-clause (*b*) (*i*).—This amendment is consequential upon the amendment in sub-clause (a) (ii).

Sub-clause (*b*) (*ii*).—This amendment enables the Transport Authority to refuse to entertain any application for the grant of any permit to a party other than the State Transport Undertaking and to reject any such pending application, in order to enable a State Transport Undertaking to implement its approved scheme.

Sub-clause (*c*).—This amendment is consequential upon the amendment in sub-clause (a) (ii).

Clause 42.—This new section seeks to prohibit the grant of regular permits to private operators after the State Government has approved the scheme prepared by a State Transport Undertaking, in respect of the route on which services are to be operated by that undertaking alone in pursuance of that scheme. Provision has also been made for the grant of temporary permits to private operators till the State Transport Undertaking is able to implement the scheme.

Clause 43.—This amendment is consequential upon the amendment in sub-clause (a) (ii) of clause 41.

Clause 44.—This provision enables a State Transport Undertaking to dispose of articles found in its vehicle, after following such procedure as may be prescribed by the State Government. The sale proceeds, after deducting the costs incidental to sale, shall have to be paid to the owner of the articles.

Clause 45.—These amendments are consequential upon the amendments made by sub-clause (a) (i) of clause 41 and clause 44.

Clause 46.—It vests in the Central Government the powers which have been conferred on the State Governments by Chapter IV-A in relation to State Transport Undertakings owned or controlled by it, so far as inter-State routes or areas are concerned. This provision is for administrative convenience.

Clause 47.—This provision makes it clear that all motor vehicles which are manufactured in this country and which do not have right hand steering control shall be equipped with mechanical or electrical signalling devices of a prescribed nature.

Clauses 48 *and* 49.—These amendments seek to make clear that manual signalling by drivers will be permitted in the case of vehicles with right hand steering control and that in the case of vehicles with left hand steering control the signal shall be given by mechanical or electrical devices fitted to the vehicles, provision has also been made for grant of exemption by the Central Government in respect of specified motor vehicle or class of motor vehicles for the purpose of plying in specified areas or routes. Such exemption may be necessary in areas where the roads are very narrow and where even the spare tyres have to be removed from the sides of jeeps (*e.g.* in NEFA).

Clause 50.—This amendment is consequential upon the amendment made by sub-clause (a) (i) of Clause 54.

Clause 51.—At present sub-section (1-A) of Section 92 enables the Central Government to make rules for the purpose of facilitating and regulating the services of motor vehicles operating between India and any other country contiguous to it under any reciprocal arrangement and carrying passengers or goods or both for hire or reward. This clause seeks to authorise the Central Government to make such rules for the operation of transport vehicles between India and any foreign country, whether contiguous to it or not under reciprocal arrangements. Although the necessity of framing such rules does not exist at present, it is considered advisable to make this enabling provision for use as and when necessary.

Clause 52.—These amendments are consequential upon the amendments made by sub-clause (a) (i) of clause 54.

Clause 53.—This amendment is consequential upon the amendment made by sub-clause (b) of Clause 38.

Clause 54.—*Sub-clause* (*a*) (*i*).—This amendment requires that a policy of insurance of a motor vehicle under Chapter VIII covers the following additional matters, namely :—

(1) damage to any property of a third party ;

(2) death or bodily injury to any passenger of a public service vehicle, even though the owner or the driver of the vehicle may not be responsible for the accident, provided there is no contributory negligence on the part of the passenger.

Sub-clause (*a*) (*ii*).—It has been contended that if a motor vehicle which is being driven on a public road gets out of control and knocks down a person in some private premises situated by the side

of that road, that person or his heirs will not be entitled to any compensation from the insurance company. This amendment makes it clear that an accident shall be deemed to have been caused in a public place notwithstanding the fact that the person injured or the property damaged by the accident was not actually in a public place, if the cause which led to the accident had occurred in a public place.

Sub-clause (*b*).—These amendments enhance suitably the limits up to which the various classes of motor vehicles are required to be insured. The existing limits were laid down in 1939 and there has been considerable rise in the cost of living and increase in the carrying capacity of motor vehicles since then.

At present damage to third party property is not covered by a policy of insurance under Chapter VIII. This sub-clause seeks to lay down a limit of Rs. 2,000 in respect of damage to any property of a third party, with a view to avoiding the inconvenience, delay or harassment to people of small means.

Clause 55.—This clause seeks to require an insurer to make a deposit of Rs. 30,000 as security for the due discharge of any liability covered by a policy of insurance issued by him under Chapter VIII. This deposit will be in addition to the deposit required to be made by him under the Insurance Act, 1938. This provision will ensure payment of compensation to victims in cases where compensation has been decreed by the competent authority but payment is denied or unreasonably delayed by the insurer.

Clause 56.—At present there is no provision in the Act in regard to transfer of the insurance policy after the sale of a vehicle to which it relates. Different views have been expressed by different High Courts in regard to the rights of the insurer and the insured with regard to this matter. The proposed amendment seeks to make necessary provision with regard to the matter.

Clause 57.—This amendment is consequential upon the amendment made by sub-clause (a) (i) of Clause 54.

Clause 58.—*Sub-clause* (*a*).—The present wording of clauses (b) and (c) of Section 110-A (1) does not permit any one of the legal representatives or his duly authorised agent to claim compensation. The proposed amendment seeks to make the necessary provision in this behalf.

Sub-clause (*b*).—This amendment raises the time limit of 60 days for filling an application for compensation, to six months.

Clause 59.—At present it is open to a workman to file a claim before a Commissioner for compensation under the Workmen's Compensation Act, 1923, even though he had preferred a claim under the Motor Vehicles Act to a Motor Accidents Claims Tribunal. It was never intended, nor it is desirable, to allow a workman to claim relief under both the Acts. Hence this proposed amendment.

Clause 60.—This amendment is of a clarificatory nature.

Clause 61.—This clause seeks to enable the Motor Accidents Claims Tribunal to impose a fine on a party, who wilfully remains absent or fails to give evidence, and to suspend his driving licence if that party is the driver of the vehicle involved in the accident and to suspend the permit or registration certificate if that party is the owner of the vehicle. This clause also seeks to empower the tribunal to permit the insurer to contest a claim where it is satisfied that (i) there is a collusion between the claimant and whom the claim is made, has failed to contest the claim or (ii) the person against the person against whom the claim is made, has failed to contest the claim.

Clause 62.—The proposed new sections seek to provide for the award of interest by any Court or Claims Tribunal where the award of compensation is delayed and also for the award of costs where the policy of insurance has been obtained by non-disclosure or mis-representation of a material fact or where a party has put forward a false or vexatious claim or defence. These provisions are intended to expedite settlement of claims and payment of compensation.

Clause 63.—This amendment enables recovery of compensation, as arrear of land revenue, from any person against whom the decree or award of compensation is passed. The existing provision is confined to insurers only.

Clause 64.—This amendment seeks to enable the State Government to provide for levy of fees on appeals against the awards of Motor Accidents Claims Tribunals.

Clause 65.—This amendment seeks to make an offence under Section 5 punishable with imprisonment or/and fine as in sub-section 1 of Section 114. At present this offence is punishable under section 112, with fine up to Rs. 100 on the first occasion and Rs. 300 on subsequent occasions.

Clause 66.—This amendment enhances the amount of the maximum fine prescribed for the offence of driving at excessive speed and of carring a person to drive at excessive speed. It is felt that the enhanced fine will discourage driving at excessive speed.

Clause 67.—At present the offence of overloading a public service vehicle is punishable under Section 112. That section provides punishment for various offences of a minor nature. Offence of overloading of buses and taxis being quite serious, this clause seeks to bring the offence within the purview of section 123.

Clause 68.—This clause seeks to provide punishment for the offence of engaging without proper licence in the business of sale of tickets for travel by public service vehicles or in the business of collecting, forwarding or distributing goods carried by public carriers. The punishment is the same as in Section 123 for operating a transport vehicle without a permit.

Clause 69.—It is a clarificatory amendment.

Clause 70.—The new section provides for a minimum fine for a second subsequent offence, if committed within a period of three years from the date of a commission of the previous offence.

Clause 71.—This amendment seeks to enable seizing of the certificate of registration of a vehicle for an alleged offence of using the vehicle without a permit, so that the vehicle-owner may not transfer the vehicle to another person to defeat the object of prosecution.

Clause 72.—The existing provisions of Section 180 take away the power of courts to impose the maximum punishment prescribed by the various sections of the Act, in respect of offences which are not specified in Part A of the Fifth Schedule to the Act, and restrict the power of the Court to impose fine up to Rs. 25. It was never intended that the procedure of summary disposal laid down in that section should whittle down the court's discretion to impose, on the facts of a case, the maximum punishment laid down in the other sections. Hence the proposed amendment.

Clause 73.—This new section to require courts to indicate to the licensing authorities particulars of the drivers who are convicted by them and also of the punishment imposed.

Clause 74.—State Governments have made rules providing for levy of fees for the carious purposes connected with the administration of this Act and for which there is no specific provision in the Act. It has been pointed out that the validity of these rules is open to doubt, in the absence of a specific provision in the Act authorising the levy of fees for these purposes. This new Section seeks to remove this doubt.

Clause 75.—This amendment seeks to confer certain additional powers on the officers of the State Governments' Motor Vehicles

Departments, for the purpose of enforcement of the various provisions of this Act. Similar powers are already being exercised by Police personnel who are on deputation to these departments.

Clause 76.—This amendment seeks to empower the appellate/revisionary authority to extend the period of validity of a permit, on appeal/revision against refusal to renew it, until the appeal/revision is disposed of. It has been pointed out that absence of this power has resulted in hardship in genuine cases.

Clauses 77 *and* 83.—This new section and the Twelfth Schedule seek to repeal such provisions of the State Acts as are repugnant to the provisions of the Motor Vehicles Act, 1939 or are redundant in view of the provisions of the Act and to the repeal of which the State Governments have agreed.

Clause 78.—*Sub-clause* (*a*) (*i*) *and Clause* 79 (*i*).—These amendments seek to enable a person, who had held a driving licence for 5 years or more and loses his sight in one eye thereafter, to continue to be qualified for driving a non-commercial light vehicle. It has been pointed out that the present requirement of reading a registration mark with *each* eye does not exist in many foreign countries and that it entails hardship to one-eyed persons who are otherwise fit to drive. It is felt that the proposed provision will not increase the risk of accidents because a person who has been driving for a number of years and loses his sight in one eye thereafter, will have acquired considerable road experience and driving judgment for safe handling of a non-commercial light vehicle.

Clause 78.—*Sub-clauses* (*a*) (*ii*) *and* (*d*) *and Clause* 79 (*ii*). The existing provisions make "a degree of deafness which prevents an applicant from hearing the ordinary sound signals" and absolute disqualification for obtaining a driving licence and do not indicate whether audibility should be tested without the use of ear-aids. It is considered reasonable that a person who can hear with hearing-aid should not be debarred from driving light motor vehicles.

Clause 78.—*Sub-clauses* (*b*) *and* (*c*) (*ii*).—These are formal amendments and require the applicant to specify his name clearly in his application for the addition of a new class of vehicle to his driving licence or for the renewal of the licence.

Clause.—78 *Sub-clauses* (*c*) (*i*) *and* (*iii*).—The existing form of application for renewal of driving licence does not require the specific indication of any physical defect or disability which might have been developed by the licence holder subsequent to the grant or previous

renewal of the licence. This amendment seeks to remove this lacuna and is necessary in the interest of road safety.

Clause 78.—*Sub-clauses* (*e*), (*f*) (*i*) *and* (*g*) (*i*).—These are formal amendments to make it clear that in the case of married women the name of the husband should be indicated.

Clause 78.—*Sub-clauses* (*f*) (*ii*) *and* (*g*) (*iii*).—These amendments require the mention of cubic capacity in the application for registration and the certificate of registration of a motor vehicle because the insurance companies have adopted the basis of cubic capacity for the purpose of calculating premium.

Clause 78.—*Sub-clauses* (*f*) (*iii*) *and* (*g*) (*ii*).—These amendments are necessary to enable the Motor Vehicles Registering Authority to compile figures of diesel engined petrol engined vehicles.

Clause 78.—*Sub-clauses* (*f*) (*iv*) *and* (*g*) (*iv*)—.These amendments require the mention of the maximum laden weight as certified by the manufacturer, in the application for registration and the certificate of registration of a motor vehicle.

Clause 78.—*Sub-clauses* (*f*) (*v*), (*vi*) *and* (*g*) (*v*).—These amendments are consequential upon insertion of the new section 31-A, proposed in clause 13.

Clause 80.—This amendment substitutes the present TEST OF COMPETENCE TO DRIVE by a more comprehensive and stricter test, to improve the standard of driving and to minimise motor vehicle accidents.

Clause 81.—This amendment seeks to bring the existing Sixth Schedule up-to-date by prescribing (i) additional groups of letters for registration marks of motor vehicles in the State where the existing groups of letters are not sufficient to meet the requirement of increasing numbers of vehicles and (ii) groups of letters for those States which were created as a result of the reorganisation of the States. The letters 'AA' have been allotted to Andhra Pradesh in place of the existing letters 'AD' to meet the requirement of that State Government. A provision for retaining the old registration letters (*viz*. BM, BY) in Maharashtra State on motor vehicles registered before 1st October, 1961, has also been made to meet the requirement of that State Government.

Clause 82.—The proposed revised Eighth Schedule seeks to increase the speed limits suitably for certain classes of motor vehicles in view of the improvement in road designs and better types of vehicles now in operation. The increase in speed limits is five or ten kilometres per hour and it is not such as to endanger road safety

FINANCIAL MEMORANDUM

Under clause 33 of the Bill, the proposed sub-section (2) of Section 64 requires the State Governments to constitute in the State a State Transport Appellate Tribunal which shall consist of a whole time judicial officer not below that rank of a District Judge. In the case of a Union territory, however, the tribunal may consist of the Administrator of that territory or any officer who has judicial experience. Appellate authorities already exist in the State and the Union territories. No additional appeal work will be created by this provision and the existing arrangements in the Union territories will continue, except that the appeals will be heard by an officer who has judicial experience. If the present officer who constitutes the appellate authority does not have judicial experience, another person having judicial experience will have to be appointed in his place. This will be done by the transfer of a suitable officer. It is not proposed to make any fresh appointment for this purpose. This provision will not, therefore, actually involve an expenditure out of the Consolidated Fund of India.

Clause 54 of the Bill seeks to raise the limits of insurance for various classes of motor vehicles. Raising the limits of insurance will not, by itself, involve any expenditure from the Consolidated Fund of India in respect of Government vehicles. Government vehicles which are not connected with any commercial enterprise are exempt from insurance under the principal Act. As regards Government vehicles which are connected with a commercial enterprise, they can be granted exemption from this insurance if the concerned department sets up an insurance fund of its own in accordance with the rules framed by the Central Government. These rules provide for contribution to the fund at specified rates. These rates are not proposed to be increased. It is proposed to advise the State Transport Undertakings which are operated departmentally in the Union territories to set up their own insurance funds in accordance with the said rules. If, however, the State Transport Undertakings do not set up such funds, some expenditure from the Consolidated Fund of India may have to be incurred in respect of the commercial enterprises in the Union territories, but it is not possible at this stage to assess the quantum of such expenditure because such expenditure will depend upon the rates of premia fixed by the insurers.

MEMORANDUM REGARDING DELEGATED LEGISLATION

The Bill empowers the State Governments to make rules in respect of the following matters, namely :—

(i) the minimum qualifications which a person should have in order to be entitled to obtain a licence to drive a transport vehicle and the time within which such qualifications are required to be acquired by persons holding such licence at the commencement of this Act and the duties and conduct of such persons; the distinctive badges and uniforms which are required to be worn by drivers of transport vehicles on inter-state routes and the registration of schools established for the instruction of drivers of motor vehicles and fees to be paid to such schools (Clause 9);

(ii) the fees which are required to be paid for making or cancelling any endorsement in respect of any agreement of hire-purchase or any hypothecation on a certificate of registration. (Clause 16);

(iii) transaction of business at a meeting of a State Transport Authority or a Regional Transport Authority in the absence of the Chairman or any other member, (Clause 19) ;

(iv) the authority which shall be competent to grant a licence to a person to engage himself as an agent or canvasser in the sale of tickets for travel by public service vehicle or as an agent in the business of collecting, forwarding or distributing goods carried by public carriers and the conditions subject to which such licence may be issued, (Clause 33);

(v) the manner in which and the time within which every application for a stage carriage permit or a public carrier's permit shall be published and the circumstances under which and fees on payment of which copies of such applications may be granted, (Clause 37);

(vi) the manner in which the applications may be made by a State Transport Undertakings for permits in pursuance of its approved schemes and the period within which the owner may claim an article found left in any transport vehicle operated by a State Transport Undertaking and the manner of sale of unclaimed articles by that Undertaking, (Clause 45);

(vii) the fees on payment of which the appeals may be preferred against the awards of the Motor Accidents Claims Tribunal, (Clause 73);

(viii) the particulars which every Court convicting a licensed driver should communicate to the licensing authority, (Clause 73);

(ix) fees for any matter involving the rendering of any service of the officers or authorities under the Act or any rule made thereunder, (Clause 74);

(x) the powers which may be exercised by any officer of the Motor Vehicles Department in addition to the powers conferred on such officers by clause 75 of the Bill.

2. The Bill also empowers the Central Government to make rules with regard to the following matters, namely :—

(i) additional conditions under which a permit may be granted to a tourist vehicle, (Clause 29);

(ii) the fees on payment of which, an appeal against any decision, direction or order of the Inter-State Transport Commission may be preferred, (Clause 32);

(iii) fees in respect of any matter involving the rendering of any service by the officers or authorities under the Act or any rule made thereunder, (Clause 74).

3. The Bill further empowers the Central Government to exercise the powers conferred on the State Government by Chapter IV-A of the principal Act in respect of a corporation or company owned or controlled by the Central Government or by the Central Government and one or more State Governments in relation to an inter-State route or area. The effect of this provision is that the Central Government will have the power to make rules under section 68 I of the principal Act in relation to such corporations.

4. The delegation of the legislative powers is of a normal character.

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